ProCARE

ANNUAL REPORT 2017

Caring for Aucklanders through high quality general practice

ProCare is New Zealand's largest and most diverse cooperative of healthcare professionals, with a local and personal approach to delivering world leading health services. We support grassroots action and people determining their own futures while providing a strong voice for primary care at the national level. If you want to have a real impact on the future of general practice in New Zealand, join a primary health organisation that is innovative, bold, capable and positive about the future of primary care.

We value community based and family orientated health care and believe the future of general practice is central to the whole health system. We are practice-focused and this is reflected in all aspects of our organisation. General practitioners, nurses, practice managers and owners are represented across ProCare in governance, management, leadership and quality improvement roles.

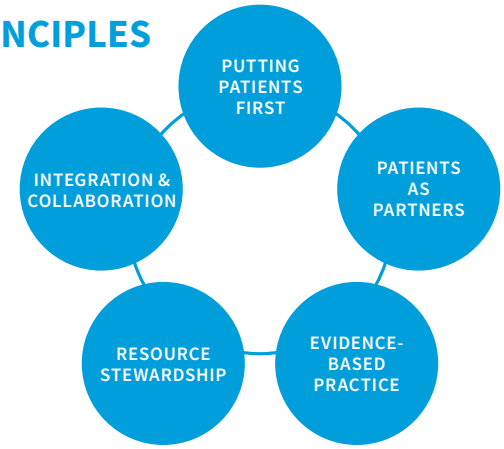
ProCare is an engine of innovation that promotes partnership and leads debate about how we fund and deliver healthcare in the 21st century.

All of our work is driven by three things we are passionate about:

Clinical Excellence, Thriving Businesses and Influential Networks.

WHAT WE DO

OUR PRINCIPLES

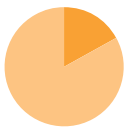


OUR PRACTICES AND PEOPLE

177 PRACTICES

825,052 ENROLLED PATIENTS

c.50.55% (1,632,100) Of estimated Auckland regional DHB population



c.17.50% (4,693,000) Of estimated New Zealand population

24.4% Of our patients are Māori or Pacific (as at 1 July 2017)

CONTENTS

ProCare Health Limited Chairman's Report

It is a great honour to reflect on ProCare's achievements over the last year.

The 177 general practices in our network have continued to provide quality health care to our 825,052 enrolled patients. What we can measure has improved, with ProCare achieving 100% of the Ministry of Health's national health targets, a first in our history.

Of special note is the improvement in our Outcome Quality Framework results, comparing the general population vs Māori and Pacific rates for disease-specific indices and screening rates.

Clinical excellence is the biggest motivation for our providers, and their challenging work in achieving these targets is to be applauded. The support of the ProCare staff by providing reports that identify gaps, and the sharing of innovative ideas across the network, also deserves recognition and praise.

Thriving innovation and collaboration

Innovation continues to thrive, with several practices trialling the Health Care Home model and an extremely positive response received to the mental health stepped model of care expression of interest. A pilot with ACC allowing general practices to request MRI scans has shown encouraging results, saving 140 patients 16 working days each on their journey.

In addition, we currently have four practices in a Work to Wellness pilot programme with employment support NGO Workwise (see pg 24), which aims to support people on Job Seeker – Health Condition, Injury or Disability benefits to return to employment.

It has also been pleasing to work more collaboratively with our DHB and PHO colleagues. The growth of Auckland city means that we must work together smarter, as well as share innovation. An invitation was finally realised in July 2017, when we presented our current business, innovation and future trends for the region to over 20 DHB directors.

More GPs welcomed on board

Over the last 12 months we also welcomed many GPs who moved from being contractors, to becoming ProCare shareholders. This has been a lengthy process, with many regulatory hoops to jump through, but the enthusiasm with which existing contractors purchased shares in ProCare has been encouraging. Dialogue with the DHBs about our corporate structure and dividend payments has been challenging, nevertheless we are confident we will find a mutually agreeable solution.

We have also been able to influence in a small way those in the Ministry of Health who create the policy settings we work under. By the time the annual report is published, we will know which Government we will be working with for the next three years. Election promises will need to be implemented in a way that improves the viability of our members' practices, as well as delivering affordable and high quality primary care to our enrolled population.

Finally, I wish to thank the board of ProCare Health for their dedication and enthusiasm in leading this impressive organisation through challenging times. And to our CEO, Steve Boomert, and his management team, thank you for your professionalism and commitment to the organisation and its members.

Dr Harley Aish
CHAIRMAN,
PROCARE HEALTH LIMITED

HI-TECH IMAGING PILOT

ProCare, ACC and Mercy Radiology are working in partnership on a pilot that allows direct referral by GPs for an MRI for knee, shoulder and back injuries.

Current Journey (7-step process)

1. GP
2. X-RAY
3. GP
4. SPECIALIST
5. MRI
6. SPECIALIST
7. SURGERY

New Journey (4-step process)

1. GP
2. X-RAY / MRI
3. SPECIALIST
4. SURGERY

140

Patients from 25 general practices have received an MRI during the pilot.

FEATURES

1

Personalised care for patients

Less wait-time, faster recovery and improved outcomes

2

Streamlined patient journey

Reduced wait-times from injury to diagnosis, enabling earlier start to treatment

3

Clinical guidelines, audit and governance

Frameworks have been developed collaboratively by orthopaedic surgeons, GPs and radiologists

ProCare Networks Limited Chairman's Report

What a year.

Through ProCare practices and partnerships with providers across the region we have made a real difference in tackling some of the key issues for our population: smoking, alcohol-related harm, diabetes, rheumatic fever and obesity. We have maintained a focus on supporting those with greatest need and reducing some of the inequities that blight our communities. We have done very well but there is much, much more to do.

In the year to June 2017 we exceeded the national health targets for smoking, and 8-month-old immunisations. In our other targets we exceeded CVD, achieved cervical screening, but narrowly missed our target for 2-year-old immunisations. We can be particularly pleased at the reduction in the inequality gap for cervical screening, but we know the gap persists in uptake of immunisation in Māori families.

Partnerships key to better health outcomes

Partnerships are key to improving population health and wellbeing, and collaboration with community providers ensures services are developed and delivered in ways that are convenient and culturally acceptable. Real engagement with our communities needs a holistic approach, empowering individuals and whānau, helping with problem solving and life planning.

One of the priorities in the past year has been rheumatic fever education, screening and treatment. As part of the Healthy Village Action Zone programme in partnership with Alliance Health Plus (see page 24), we have reached hundreds of families through local churches. Awareness raising and screening for strep throat have been a success but, unfortunately, the contributing factors remain, and are unacceptable in our city in the 21st century.

We continue to tackle the major challenge of obesity and diabetes with the Jumpstart diabetes education and lifestyle programme together with the YMCA, green prescriptions scheme in partnership with Harbour Sport and Sport Auckland, and the Big Boys and Big Girls Club which has seen hundreds of people referred from ProCare practices to programmes at Genetics Gym. These initiatives are making a real difference to people's lives and futures, but the challenge is growing. (See page 23).

Our efforts in smoking cessation contributed to reducing the number of current smokers in our population by 6,000. Ready, Steady, Quit, our face-to- face smoking cessation service for Auckland/ Waitemata did not get off the ground as quickly as we would have liked. It has taken time to recruit and train the people we need and to focus limited resources where they will have most impact. But we steadily built the number of referrals and successful quits and have a revitalised programme for the coming year. (See page 22).

Mental health a major priority

Mental health care is another major priority. Our proposed model for primary mental health services, integrating health and social support based around the needs of the individual, has taken shape throughout the year and we are now ready to move to a demonstration phase.

It is critical we have the right structure and infrastructure to make the greatest impact with the resources available so we have made some important changes within our team. These include reorienting our work around practice support and patient services, including establishing new senior roles to lead our work for our Māori, Pacific and Asian populations. In parallel, we have invested in technology with our reports portal and members' website and the rollout of our CIS (Clinical Intelligence System) to ensure we have comprehensive clinical information to plan for and target the needs of our population.

Our ProCare Māori advisory committee (ProMa) provides an important role supporting the initiatives of the Māori Strategy, such as improving our responsiveness to Māori health needs, and maintaining strong relationships with iwi, Māori providers and whanau.

ProPa, our Pacific Advisory Committee oversees the strategic direction of our dedicated team of team of professionals committed to ensuring the services we provide meet the needs of our Pacific population.

Finally, I would like to acknowledge my fellow ProCare Network directors for their commitment and diligent work for this fiscal year. And my thanks also to the CEO, Steve Boomert, and his team for their great work.

Tevita Funaki
CHAIRMAN,
PROCARE NETWORKS LIMITED

A SNAPSHOT OF ACTIVITY 2017

7,500
People quit smoking

67,000
Cervical screens

119,302
Flu vaccines

34,072
HPV vaccines

6,409
Referrals to ProCare Psychological Services

3,946
Palliative care services

16,906
Community radiological services

12,894
Services for people with long-term conditions (ARI)

TARGETS AS AT 30 JUNE 2017

(% = COVERAGE OF RELEVANT ENROLLED POPULATION)

1 MORE HEART & DIABETES CHECKS

90% TARGET

92% ACHIEVED
Including **70,568** High-Needs

2 BETTER HELP FOR SMOKERS TO QUIT
(PRIMARY CARE)

90% TARGET

92% ACHIEVED
Including **41,284** High-Needs

3 CERVICAL SCREENING

80% TARGET

80% ACHIEVED
Including
Māori **15,169**
Pacific **18,311**
Asian **9,168**
Others **13,405**
High-Needs

4 INCREASED IMMUNISATION FOR 8-MONTH-OLDS

95% TARGET

95% ACHIEVED

5 INCREASED IMMUNISATION FOR 2-YEAR-OLDS

95% TARGET

92% ACHIEVED

HEALTH CHALLENGES FOR OUR POPULATION

- SMOKING
- ALCOHOL-RELATED HARM
- DIABETES
- OBESITY
- RHEUMATIC FEVER
- MENTAL DISTRESS

ProCare Health Limited CEO's Report

It's been an impressive year for ProCare. As ever, the team has worked incredibly hard, focusing on high value initiatives and strong partner relationships, with a view to ensuring a strong future for our network.

To pick out a few of our key projects for extra attention is difficult, but one with immediate impact for our members was our leadership in GP2GP negotiations.

The original plan to charge for transferring patient records between practices was going to cost the sector $1.4m. Through our collaboration with another PHO, Comprehensive Care, and the supplier, Patients First, this was reduced to $350,000, and we also gained a clearer view of how to manage this core business function in the future.

New approach to GP education

A new approach to the GP cell group education programme also kicked off in 2016. Based on a model used by Pegasus Health, we started small group, peer-led education that enabled groups to engage in evidence-based, practical research and discussion.

We have continued rollout of our Health Care Homes (HCH), increasing the number of practices from four to 10 (see page 21). With the support of the national HCH Collaborative we have developed a range of resources that will enable practices to adopt more innovative, efficient and patient-focused ways of working. These modules will be available across all of our network as we continue to embed the model.

Over the past year we have also continued to explore all opportunities for shifting services closer to home, introducing POAC into System Level Measures, so that patients would be more likely to be treated in the community rather in hospitals.

Building on national networks

Strengthening of relationships and advocacy for our network, our population and primary care more widely, has been a major focus at ProCare in this last year.

Nationally, we have worked closely with agencies like ACC and NGOs such as Workwise. As part of Network 4, comprising the country's largest PHOs, our focus has been on primary mental health, virtual health and promoting the value of what

we do politically in an election year.

We have had regular discussions with senior officials within the Ministry of Health and across government, with the Minister of Health and senior politicians of all parties, setting out our vision and solutions to improve access, equity, outcomes and value for money. It's encouraging that our recent efforts have contributed to progress which should see lasting benefit for our population.

The influence of ProCare and primary care colleagues played no small part in convincing politicians to commit to reducing the cost of GP visits for some of our most vulnerable people.

The Network 4 vision for primary mental health has been well received politically and we will ensure we make an important contribution to implementation of the enhanced services that have been promised.

In our region, we have reinforced our relationships with the three Auckland DHBs through regional alliances and shared decision-making settings to drive improvements.

We also contributed to shared initiatives such as the Tamaki Wellbeing Project, and with individual DHBs on areas such as youth mental health and planned proactive care.

Workforce strategy critical

Looking to the future, implementation of the workforce strategy will be a critical factor. We need to build multi-disciplinary teams that includes health coaches, allied health professionals including mental health clinicians and pharmacists working side by side with nurses and GPs, with strong links into hospital specialists.

We need to move much more quickly in maximising the potential of technology enabling convenient virtual access to clinical advice and support, underpinned by shared data, records and care plans.

During the year, there was an important internal change in the ProCare structure. With the retirement of Dennis Baty as Chief Operating Officer, we now have two separate work streams for practice and patient-focused services, and two proven leaders from within ProCare taking the reins. With Kylie Ormrod, now General Manager of Practice Services, and Johnny O'Connell, now General Manager of Patient Services, we're confident we have the right approach and talent in place for our important role in tomorrow's primary care.

Steve Boomert
CEO,
PROCARE HEALTH LIMITED

VIRTUAL HEALTH

This year more than **350,000** appointments and approximately **50,000** repeat prescriptions were arranged via portals.

130,000 ADULT PATIENTS ARE ENROLLED IN A PORTAL.

1 IN 7
ADULTS ENROLLED IN A PROCARE PRACTICE

Has signed up for and/or used their patient portals.

PRIMARY MENTAL HEALTH

A major priority

50%

Almost half of all New Zealanders will experience mental health or addiction issues at some point in their lives.

For the ProCare population, this means about **160,000** people who will have a mental health issue annually.

Our data shows us that approximately **72,000** people currently have a depression or anxiety diagnosis.

1 in 5 New Zealanders every year

ProCare Charitable Foundation Chairman's Report

It has been hugely gratifying to see the ProCare Charitable Foundation go from strength to strength this year, our second year of operation, with $227,000 going to registered charities in our communities.

The stories we hear back are of how our grants are helping to make a difference to people's lives here and now and, in some cases, for a lifetime.

Upsidedowns – the charity supporting families in the Down Syndrome community in Auckland – told us of the 'life changing' and 'enormous impact' after receiving their grant of $26,000. With this money the charity delivered hundreds of hours of speech therapy to the children in their network, with an intention to improve their communication skills and, through that, their quality of life. It has been a real pleasure to get feedback from those whānau that this therapy is helping their children to integrate into schools, while also helping them to better express themselves in family settings, too.

Cover operational costs for some

Sometimes we also help charities cover their basic operational costs. At Muscular Dystrophy Northern, our donation supported two field workers for the months of April, May and June.

The Foundation grant enabled the Kidney Society Wellness Programme to extend from three days to four (see page 11). The programme helps nearly 2,000 renal patients in Auckland exercise to the level they are able, which means it varies from patient to patient. It is an important programme enabling people to maximise their quality of life, independence and motivation, and to encourage them to see their dialysis or transplant, or supportive care, as a means to living as well as possible with their condition.

Other equally inspiring stories can be told of the other four recipients of grants, at Big Buddy, Anxiety NZ, Children's Autism and

Te Runanga o Ngati Whatua charities (see pages 12 to 13).

Privilege to support positive outcomes

It is a privilege to be able to support these outcomes, for which the shareholding members at ProCare can be pleased and proud. It was the members who gifted over 90% of their shares to provide a base for the future of the Foundation, which was set up to promote and deliver health-related activities, address inequality, advance education and improve health outcomes for Aucklanders.

In general, all the applicants were able to demonstrate how their work was relevant to the grant kaupapa, and the calibre was strong. Reading through the applications gave us an insight into all the incredible work happening in Auckland's health charity sector.

With so many worthy charities, our decisions were based on an assessment of a charity's capacity to deliver, and the expected outcomes of the project. I acknowledge the other Foundation board members for their work in this process, and the energy they continue to invest to drive the grant programme forward.

As we look to the year ahead, I want to thank our members and invite the network to read about the innovative and meaningful programmes being enabled within Auckland communities.

June McCabe
CHAIRMAN,
PROCARE CHARITABLE
FOUNDATION

FOUNDATION GRANTS MAKING A DIFFERENCE

Registered charities helping to improve the health and wellbeing of Aucklanders are able to apply for grants of $20,000 or more from the ProCare Charitable Foundation. Our grant programme distributes more than $200,000 to eligible groups whose work promotes or delivers health-related activities that address inequality, advances education and improve health outcomes. The Foundation was set up for ProCare general practice network members, and others wishing to donate can also support such groups. Here's who we supported this year.

UpsideDowns Education Trust

LIFE CHANGING DONATION FOR KIDS WITH DOWN SYNDROME

Receiving a ProCare Foundation grant was "life-changing" for UpsideDowns because it was able to deliver hundreds of hours of speech language therapy to many children.

"We consistently receive positive feedback from our member families about the impact that their child's improved communication is having on their lives," trust operations manager Hannah Reynolds says.

She says the skills enable kids to participate fully at school and develop the confidence to lead independent lives.

In her own words, Ben's mother expresses how beneficial the language therapy has been:

"Ben's speech language therapy input is making a real difference. For example, Ben wasn't feeling well this morning and said 'Sore tummy. Mum. Rub tummy.' These may not be big sentences, but it's the first time he has been able to communicate that he isn't feeling well. Normally we would be second-guessing how he is feeling."

The grant also meant other funds could go towards new families in the Auckland region.

Kidney Society Wellness Programme

HELPING KIDNEY PATIENTS LIVE BETTER

A unique wellness programme for people with kidney failure has been able to meet high demand and increase its services thanks to this year's ProCare grant.

The Kidney Society Wellness Programme extended its programme by a day to four days a week from February.

Continued funding allows clients to be quickly started on exercise programmes to get them moving, building muscle strength and feeling better.

It also assists people to move from home based exercises to community programmes through working closely with council gyms and recreation centres and Green Prescription staff.

The wellness programme is an important way for people to maximise their quality of life, independence and motivation. Among many client comments are:

"I feel much better in myself. I don't feel like I just want to hide in bed all day." And "I am so happy I have been able to participate in family activities and not miss out. I wasn't able to physically do that before."

FOUNDATION GRANTS MAKING A DIFFERENCE

Big Buddy

MENTORING EXPANDS INTO SOUTH AUCKLAND

Jeremiah Filipino has a buddy to guide him through the confusing and exciting years of teenage life thanks to a mentoring service that received a ProCare Charitable Foundation grant.

Big Buddy provides male mentors to fatherless boys and receiving a $35,150 foundation grant has allowed it to offer help to more boys in South Auckland.

Among those helped by Big Buddy is Papakura resident Jeremiah who wanted an adult male in his life to look up to.

Peter Lauina become Jeremiah's mentor about five years ago when he was nine.

Peter answered an advertisement for mentors after his wife encouraged him to do something about the societal issues he wanted to change.

Jeremiah says Peter helps him to check his thinking and behaviour and he encourages more mentors to sign up.

"Imagine the difference you could make by just being there. You could dramatically change the course of a boy's life… by just being a role model," Jeremiah says.

JONATHAN VIRGO, RIGHT AND KEVIN STEVENS ARE AMONG THOSE WHO HAVE BEEN MATCHED BY BIG BUDDY

Children's Autism Foundation

HELPING AUTISTIC CHILDREN THRIVE IN THE COMMUNITY

Aucklanders are being shown how to reduce isolation for children with autism due to the support of the ProCare Charitable Foundation.

Children's Autism Foundation has been able to provide programmes to ensure as many people as possible can access its services at minimal cost. The Foundation provided six programmes in Auckland from December 2016 to May 2017.

Participants learnt how to reduce anxiety, develop strategies for managing challenging behaviour and social skills to allow autistic children and their families to thrive in the community. They also learnt how to welcome children into activities by minimising stressors, tailoring activities and inclusion of people with differences.

This means children with autism are more likely to participate in sport, recreation and learning environments.

Grandparents and parents who attended the courses were pleased to meet other people with an autistic child.

"Our grandson is normal, he just reacts differently and that's okay. It was great to meet others in the same situation and share strategies."

FOUNDATION GRANTS MAKING A DIFFERENCE

Muscular Dystrophy Northern

EXTENSION OF VALUABLE FIELDWORKER SERVICES

Two fieldworkers for Muscular Dystrophy Northern had their salaries paid for three months thanks to a ProCare Foundation grant.

Over that time, Darian Smith (pictured left) and Kate Longmuir delivered or took part in a series of services that not only assisted people with muscular dystrophy and their carers in their homes, but also gave public information sessions and raised awareness about the disorder.

Kate recently completed research into Duchenne muscular dystrophy that looked at the lived experience of families. It made her aware of the problems and battles that families face, and she was happy to be appointed as a fieldworker so she could make a difference to their lives.

The grant also allowed her to attend a one-day family camp in Ngaruawahia, which was a valuable opportunity to meet members and get to know them and other staff better.

The Muscular Dystrophy Association is almost fully reliant on fundraising and donations.

Te Runanga o Ngāti Whātua

BETTER HEALTH SERVICES FOR RURAL MĀORI

A mobile health unit is planned for the West Rodney community using a ProCare Charitable Foundation grant.

The money is ear-marked to support Te Runanga o Ngāti Whātua's healthcare provider Te Hā Oranga to fit out a van, based in Helensville, with clinical equipment to complement its existing mobile nursing service.

There are also plans to provide free GP clinics on marae in the South Kaipara.

Anxiety New Zealand Trust

SUCCESS FOR ANXIETY EDUCATION PROJECT

Vital funding for the Anxiety New Zealand Trust meant the successful delivery of community education programmes, which increased awareness about anxiety and depression, reduced stigma, and helped build healthy wellbeing practices. Funding was spent in four key areas.

The trust delivered three 12-week resiliency programmes for children and young people. Fifty per cent of families received a full scholarship to attend, with help prioritised for families experiencing disadvantage, Māori, Pacific Island or Asian children and their whānau.

Health sector workshops and training led by specialist mental health GP and clinical psychologists were provided to 55 health practitioners working with low income and ethnically diverse people.

Anxiety management and brief intervention information was provided to 45 GP practices and pharmacies. Wellness workshops were attended by 45 people, and resilience was promoted at nine schools. Resources and training were also provided to 15 citizens advice bureaus.

Cultural competency training in working with Māori and Pacific Island callers was given to 65 helpline volunteers and 18 staff.

ProCare Psychological Services Limited Chairman's Report

The past year has seen an overhaul of our unique psychological services to lay the groundwork for a more ambitious and comprehensive offering to meet the rapidly increasing need for mental health support across all parts of our population.

The focus has been on building our internal clinical capacity and leadership combined with improving access for our clients. Alongside more efficient processes to make best use of clinical time, we've extended opening hours and introduced new satellite clinics in Ellerslie and the North Shore. Maximising clinical time brings benefits for both staff and clients – improving access and convenience as well as staff satisfaction.

Key appointments have also boosted our clinical and service leadership to improve the quality and robustness of the services we offer clients and general practice.

New members join team

Joining our team this year has been Tina Earl in the role of clinical services manager. Tina is a senior clinical psychologist and is recognised as a national authority on stepped care and talking therapies. Sue Hallwright has joined us as director of mental health development. Sue is a former psychiatrist who has led major change programmes in mental health, both locally and nationally, and is the author of the current national mental health strategy.

One of ProCare's most significant achievements during the past year has been the development, in conjunction with Network 4 colleagues, of a New Zealand stepped care model for primary mental health. Following publication of Closing the Loop and an international evidence review with the NGO sector, a model of care was developed that will deliver a range of supports, including extended talking therapies, self-management and social care, accessed through general practice and integrated with the telehealth services provided by Homecare Medical and specialist services.

The collaborative approach and rigour that went into the development of the model have helped secure political endorsement for much needed additional investment in primary mental health services. In the meantime, ProCare is committed to piloting the model in our network with initial implementation in five of our practices.

School-based service strengthened

Our enhanced schools-based service delivered through our contract with Auckland DHB has gone from strength to strength (see page 20). The school-based clinics ensure access is convenient and help to normalise talking therapy for young people and upskill school staff. The initiative has demonstrated improved mental wellbeing among clients and a reduction in the number of teenage pregnancies. In parallel, we are continuing to build on the positive parenting programme, which is helping to equip more young people with the resilience and skills they need. Future development of youth mental health services remains a priority.

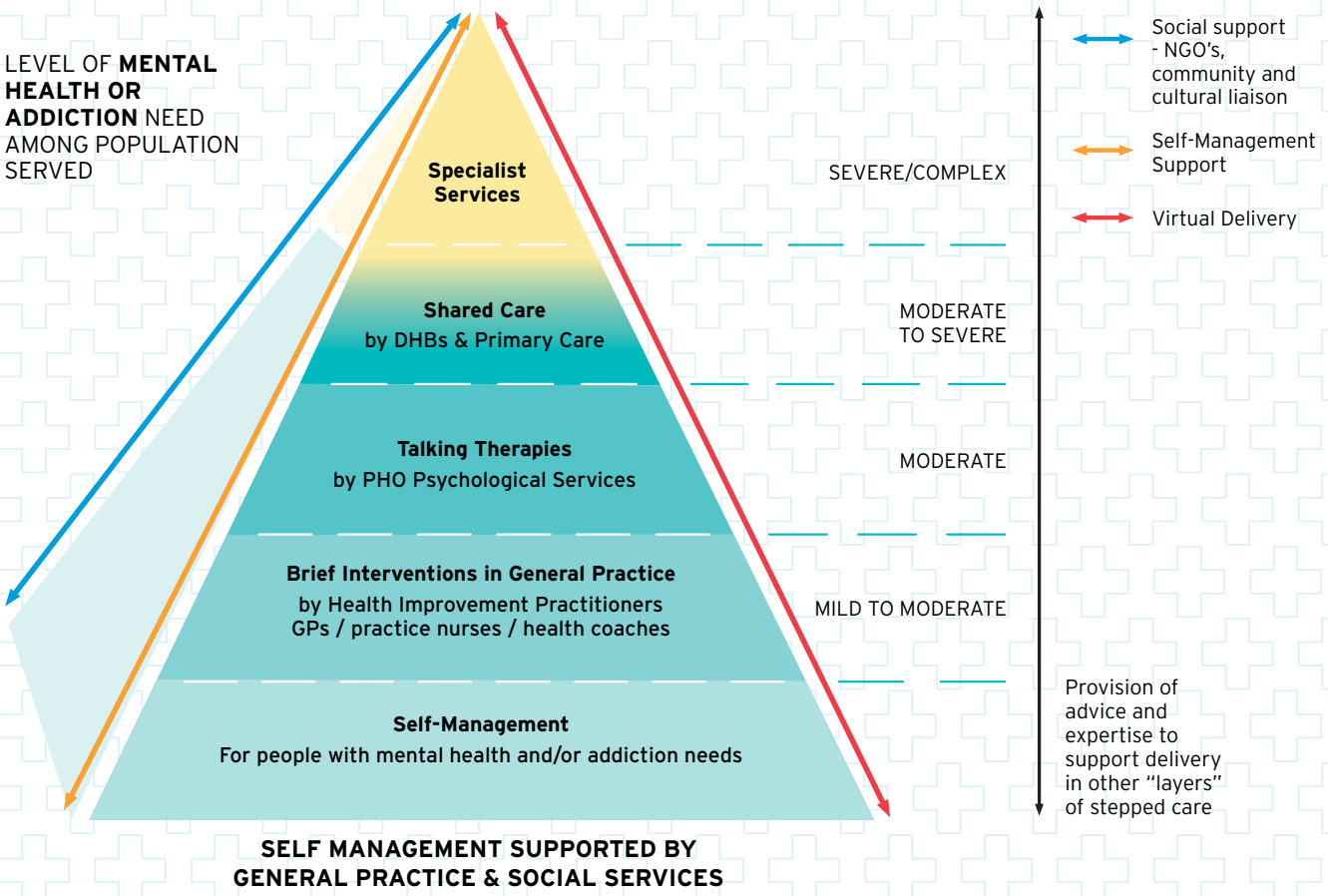
Future plans

While we can expect additional Government funding to boost access to mental health services, we have also laid the foundations to scale up the ProCare Psychological Services self-pay service, which will provide more affordable options for our wider population.

We've undertaken a major change programme within the team to ensure our organisational structure and clinical leadership meet the needs of our community and our rapidly developing service. Underpinning that has been the need to maintain and enhance the quality of the services we offer and providing support to our own people to tackle the challenges ahead.

Steve Boomert
CHAIRMAN,
PROCARE PSYCHOLOGICAL SERVICES

STEPPED CARE MODEL FOR MENTAL HEALTH AND ADDICTIONS SERVICES



WORKING WITH OUR NETWORK 4 COLLEAGUES

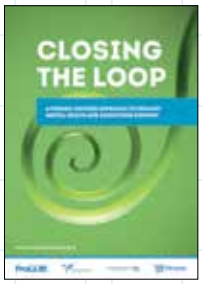
Published 'Closing the Loop' in 2016 – a proposed model for primary mental health services, integrating health and social support based around needs of people.

ProCare

Pegasus

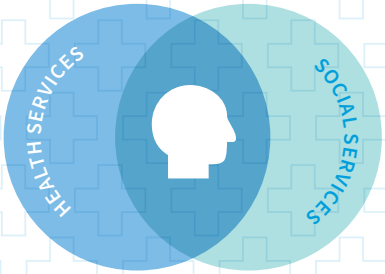
Pinnacle

Compass Health



Collaboration with NGO sector

to produce evidence review of what works, based on recommendations in 'Closing the Loop'



Led to proposal for a new model of care that enables general practice to be an effective conduit for responsive and effective mental health care and support.

Clinical Assessments Limited Chairman's Report

Clinical Assessments Ltd (CAL) shareholding is owned two thirds by ProCare Health Ltd and one third by East Health Ltd; it is funded by the three Metro Auckland DHBs.

CAL administers the Primary Options for Acute Care (POAC] service, which gives healthcare professionals access to investigations, care or treatment for those patients who can be safely managed in the community. The primary aim is to reduce acute demand on hospital services and allow patient care to be managed closer to home.

With the use of clinical pathways and policies, and under excellent clinical governance of all aspects of the service by our clinical reference group and clinical director, POAC offers a safe, consistent and effective alternative to a hospital presentation or admission for eligible patients.

The target is that about 85% of POAC interventions will successfully and safely avoid the patient needing to go to hospital.

The annual target for POAC referrals was 6,036 for Auckland DHB (ADHB), 9,811 for Waitemata DHB (WDHB), which includes additional funding for clinical services for this period, and 12,312 for Counties Manukau Health (CMDHB).

The performance for the period July 2016 to June 2017 is as follows:

- The total number of Auckland metro POAC referrals was 26,439, 6% below the target of 28,159.
- Overall, the total referrals received increased against the same period in the previous year (Auckland >10%, WDHB >24%, CMDHB >27%).
- Average cost per referral was $199.61 ADHB, $192.11 WDHB and $227.53 for CMDHB. This is measured against budgeted costs of $230 per episode of care. Prices include GST.
- In ADHB 87% of patients were safely managed in the community and avoided hospital presentation, with 89% in Waitemata and 88% in CMDHB.

POAC also has an increasing role for coordinating services or funding of primary care initiatives such as opiate substitution, hepatitis C treatment funding streams, and for Counties services including long acting reversible contraceptive placement, and Ferinject and Zolendronate infusions.

We have reviewed the Synergia-led report and recommendations of the POAC and Access to Diagnostics services. Our feedback acknowledges there may be benefits in a common governance structure, but that we feel strongly that the two programmes serve different purposes and operate with significantly different underlying philosophies, both of which are valuable and should be retained separately.

Ultimately, our aim is to work collectively to define a common platform for primary care services that could improve efficiency and effectiveness of a wide range of primary care services including POAC and Access to Diagnostics, and that we would like the opportunity to develop that concept collectively before any decisions are made about the future direction of the services.

Dr Neil Hefford
CHAIRMAN,
CLINICAL ASSESSMENTS LIMITED

Homecare Medical

Homecare Medical continues to be the leading telehealth service provider, which in the 2016-2017 financial year, helped more than 500,000 Kiwis, supporting them virtually to stay well and connecting them seamlessly with care when they need it.

Those services include nurse triage support for around 60% of New Zealand's general practices, so their patients' calls are answered after-hours. This commitment to primary care saw Homecare Medical provide support at times of unplanned health need over the last 12 months.

Homecare Medical is also the Ministry of Health's partner to develop and deliver the enhanced, integrated, National Telehealth Service (NTS) for New Zealand – which went live in November 2015. The national telehealth services offer free health, wellness and injury advice, support and information, 24 hours a day, seven days a week, across phone, webchat, email, via text message and social media channels. The NTS services receive more than one contact every minute, every day.

The national telehealth services are Healthline, Quitline, poisons and immunisation advice, the Depression, Gambling, and Alcohol Drug helplines, and the newly launched national mental health and addictions helpline 1737, need to talk?, the first of its kind helpline where people can text or call an easy to remember four-digit number for free.

In the past 12 months, Homecare Medical has launched several new services with new and existing partners and these resulted in a 21% growth in revenue. These new services and collaborations included:

- With district health boards on after-hours mental health services for crisis teams, e-talk (ekorero) a virtual brief intervention counselling service piloted with Canterbury DND, and with Counties Manukau DHB on Peer Talk, a virtual peer support programme that connects people with counsellors who have 'lived experience' of mental health and addictions;
- The Early Mental Health Response service, developed to provide faster and more appropriate support to people in psychological or social distress who call 111. Developed with the Ministry of Health, Police and ambulance services;
- The Employer Advice Line to help employers manage and support staff with health, mental health or disability issues; and the Elder Abuse Response Service helpline offering support to elderly people suffering emotional, physical, or financial abuse. Developed with the Ministry of Social Development;
- RecoveRing - a dedicated alcohol and drug helpline for prisoners, offenders, their whānau and families. Developed with the Department of Corrections;
- A mental health helpline for NZ Defence personnel.

In addition, towards the end of 2016 Homecare Medical established a digital response centre with additional funding from the MoH, for innovative marketing and service promotion, focused on increasing the use of digital channels by consumers with a focus on specific target populations and ensuring seamless, engaging service user journeys.

Homecare Medical has a large clinically-led nursing and mental health and addictions workforce based in contact centres in Auckland, Wellington, Christchurch and Dunedin and with 90 registered nurses working from their home offices across New Zealand. Over the next 12 months the teams will remain focused on clinically safe, effective, patient-centred, culturally sensitive, equitable and timely services.

Homecare Medical
partners in connected care

Highlights 2017

OUR PICTURE OF HEALTH REPORT

An innovative ProCare report is providing insights into the health needs of its more than 800,000 enrolled patients. Report author Dr Susan Wells, Associate Professor at Auckland University, understands this to be the first comprehensive health needs analyses undertaken by a PHO whose patients span three Auckland district health board (DHB) catchments.

Traditionally, only DHBs conduct the health needs analyses to prioritise service funding and planning. It describes:

- Risk factors for long-term conditions
- The burden of established long-term conditions
- Access and utilisation of general practices
- Preventative care measures
- Use of secondary care services
- Identification of populations at highest risk of a hospital admission in the next six months
- Sociodemographic characteristics.
- Practice sizes by GP and nurse full-time equivalents
- Medical management
- Patient portal use
- Patient experience measures

Our Picture of Health was created from clinical and administration data and linked to population groups including age, gender, ethnicity and location.

It provides key information to help ProCare's future planning and what easy, early changes it could make to improve patients' health. The detailed nature of the report means it has huge potential to support learning from data and clinical quality improvements.

Key findings include:

- At 1 January 2017 ProCare had 824,735 enrolled patients, making up 51% of Auckland's population and 17% of New Zealand's
- ProCare is responsible for the largest Māori and Pacific communities in New Zealand (nearly 200,000) and the largest high needs population in New Zealand (263,173)
- 22% of ProCare's enrolled population is younger than 15 years of age and 5% is older than 75
- Many of ProCare's Māori (61%) and Pacific (75%) patients live in the most deprived areas of Auckland
- ProCare has on average one GP FTE per 1,694 patients. This is a slightly higher enrolled patient ratio than the New Zealand average of one GP FTE per 1,650 patients
- Patients saw their GP on average 2.9 times per year. People classified as being high needs (Māori, Pacific and deprivation scale Q5) saw their GP three times per year
- 34% of the high needs population did not access VLCA practices.
- ProCare has a lower smoking prevalence (9%) than New Zealand overall (17%)
- Most (92%) of ProCare's eligible population had a CVD risk assessment in the last five years. The biggest gap in CVD risk assessment was for younger Māori, Pacific and Indian men aged 35–44 years
- About half of those people at a very high five-year CVD risk were receiving recommended dual therapy (blood pressure lowering and lipid lowering medications)
- More than 45,000 patients have diabetes – a prevalence of 6% – which is similar to national and regional estimates. Prevalence was highest among Pacific and Indian patients

Dr Wells says the report shows ProCare has significant challenges to address.

"Some are specific to the PHO, others are shared by healthcare providers throughout the world like an ageing population and ethnic health inequities.

"However, this needs to be viewed with the understanding health services contribute to an estimated 20% of population health and the remaining 80% through socioeconomic and environmental factors," she says.

The next step for ProCare is to use Our Picture of Health's findings and six recommendations to review existing plans and processes, identify gaps, and prioritise future plans.

Highlights 2017

PLANNED PROACTIVE CARE PROGRAMME REAPS REWARDS

Nurse Deepa Chand, the Planned Proactive Care coordinator for Hillpark Family Medical Centre in Manurewa, says patients are regularly dis-enrolling after successfully self-managing their health conditions. This is a good sign the programme is working.

"People can always be re-enrolled but there are many who have become independent enough and no longer need our help in this way," Deepa says.

Personalised Care Planning (PPC) is the means by which many of Hillpark's patients are managing to turn their health status around.

PPC focuses on care planning for people with long-term conditions and other risk factors such as inadequate housing or low health literacy. People in this group are at greater risk of poor health outcomes, including unplanned hospitalisations and the disproportionate use of health services. The PPC programme provides earlier intervention and planned, patient-centred care by helping primary care at risk patients and better co-ordinate their services.

Hillpark has been running PPC, formerly the At Risk Individuals programme, funded by ProCare, for the past three years and 5% of the practice population is offered the programme. Conditions range from prediabetes and diabetes to a host of others such as ischaemic heart disease, renal failure, obesity and dyslipidaemia.

PPC involves:

- regular monitoring of patient lab results
- review of reports for any referrals to services such as green prescription, smoking cessation, dietician services etc
- regular phone calls to patients for follow-ups/ reminders/ encouragement
- opportunistic recalls if patient has some time to spare.

"It is a really good tool, it's done electronically so other team members and patients have access to it. It is individualised to our patients needs and written in SMART format (specific, measurable, attainable, realistic and timely) which is great since it's simple for patients to understand.

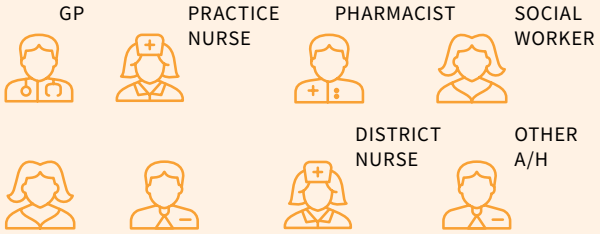
"Not all our patients have access to a computer so they may prefer to write their goals down in their own language or ask for a printed copy to put up on their fridge or just have it handy as a reminder of their goals/encouragement," Deepa says.

She tells of one patient, a 47-year-old obese type 2 diabetic man, who started the programme with an HbA1c of 74. He started off with goals like: "I will go for 10–15 minutes of brisk walking for 3-4 days and I will do this for two weeks."

"As a result his HbA1c has greatly improved to 50. He phoned and mentioned that he is happy with his result, he reported having more energy now, he is more mindful about his diet and lifestyle. He has even started getting his wife and kids to eat a healthy balanced diet and is encouraging them to add exercise to their lifestyle. This is a successful case because the patient has taken responsibility, has knowledge about his medications, knows about routine lab tests for monitoring, keeps track of his symptoms and sugar readings, and is working on his weight loss."

HOW IT WORKS

1. **Risk stratification** and clinical judgement to identify individuals.
2. Special consultation to create **patient centred care plan.** Plan holds identified goals and time milestones.
3. Shared plan activates **coordinated suite of clinical and social support.**



4. **MDT case conferences** held if needed. Plan is reviewed, updated and altered.

Coordination Team ▶ Care coordinated to achieve documented goals.

5. **Review** after one year and patient graduated from programme or re-enrolled. Early exit if mutual decision not to continue.

Highlights 2017

PSYCHOLOGISTS IN SCHOOLS IMPROVE WELLBEING

Offering free psychological help at Auckland high schools is making it easier for youth to improve their mental health wellbeing, aiding their ability to study and be active in the school community.

The service is led by ProCare on behalf of the Youth Service Alliance Leadership Team (YSALT). It is made up of representatives from Auckland DHB, Alliance Health +, Auckland PHO, National Hauora Coalition, Comprehensive Care and ProCare.

The YSALT programme also assists with GP clinic time in Auckland high schools and nurse-led health services run by ProCare.

About 827 young people were helped through YSALT psychological services in the 2016–2017 financial year – 435 through school based assistance and 392 by community based services.

When the programme started three years ago there were two colleges involved and it has now grown to 11.

Eight decile 1–3 colleges are involved, along with three other colleges due to special factors like the high number of Pacific and Māori students, lower socio-economic populations, physically isolated and high migrant and refugee populations.

The programme is for students with mild to moderate mental health needs, and gets them discussing their mental health early to avoid the need for secondary mental health care.

Removing barriers

Lifting Māori and Pacific youth access to primary mental health services is crucial to addressing and improving wellness.

ProCare's Child and Youth Wellbeing Lead, Renee Berry, says key to the programme's success is it is free, located where the young people are, and is flexible enough to work around the academic timetable. It is also confidential and supported by the whole school health team.

"One of the goals we have achieved and excelled in is in removing the barriers for our young people," Renee says.

"We constantly get feedback regarding the benefits of the service being flexible about how often students are seen, the length of time they're seen, and the ability to change an appointment."

College health teams and school staff are also offered support and training to learn how to identify students' mental health needs.

Auckland University research indicates that high schools with specialist on site mental health services, like psychologists, can dramatically reduce the rates of student depression and suicide attempts.

Positive student feedback

YSALT commissioned an independent evaluation of the psychologists in schools programme in 2016, which found it was making a difference to students' mental health and encouraged expansion to other schools.

Students who came to focus groups were positive about their experiences with psychologists and liked the professional care they received.

They also spoke about using the strategies they had learned from the psychologist to help give advice to friends.

> "ONE OF THE GOALS WE HAVE ACHIEVED AND EXCELLED IN IS IN REMOVING THE BARRIERS TO THESE YOUNG PEOPLE."

Highlights 2017

HEALTH CARE HOME: WORKING SMARTER NOT HARDER

Nearly 100,000 Auckland patients are starting to see the benefits of ProCare's Health Care Home trial, with our general practices working smarter not harder to improve productivity and patient satisfaction.

Health Care Home features enhanced teamwork between medical assistants, clinical pharmacists, nurses and GPs to make sure the right person does the right job at the right time to improve capacity and efficiency.

The trial was launched in 2016 in response to major growth in Auckland's population, our changing workforce and the increasing complexity of disease profiles.

Health Care Home is now being trialled in 10 practices across Auckland's three DHB areas, taking in 12 per cent of our total enrolled population.

Te Puea Winiata of Turuki Health, Mangere, says the trial isn't just about practices looking at themselves.

"ProCare supported us with gathering and analysing our data and asking the key questions to help us find new solutions or affirm what we were doing well."

The impact of the programme varies between practices depending on their unique needs. Highlights from various practices include:

- A GP telephone triage now manages an average of 35 calls per day from patients looking for same-day care, which has freed up 30% capacity. A survey of the patients treated over the telephone found 100% had their needs met.
- A student stationed in reception to teach people to use the online portal has increased patient enrolments via the portal to 40%, lifted prescriptions ordered online to about 80 requests per week, and increased online bookings and viewing of lab results.
- An audit in a practice found many phone calls went unanswered, and that around 50% of patients had established a pattern of walking in instead of making appointments. The practice implemented a triage form for walk ins, so some patients could be seen by a nurse. Resourcing was increased at peak times to answer calls. An education campaign was also set up to drive portal bookings.
- A new online toolkit shares lessons from the trial with the network, such as how to be a good sponsor to encourage transformative change, and best practice use of 'open notes' – where the health practitioner shares their medical notes with the patient through their patient portal, so practices can upskill.

THE MODEL OF CARE IS SHOWN TO:

1. Increase practice capacity and productivity (up to 30%)
2. Improve patient and practitioner satisfaction
3. Improve quality of care and efficiency

10 ProCare PRACTICES ON THE HCH JOURNEY

12% OF OUR TOTAL ENROLLED POPULATION

10 PRACTICES = **98,663 PATIENTS**

> "PROCARE SUPPORTED US WITH GATHERING AND ANALYSING OUR DATA AND ASKING THE KEY QUESTIONS TO HELP US FIND NEW SOLUTIONS OR AFFIRM WHAT WE WERE DOING WELL."

Practices taking part in the trial are supported by ProCare's Health Care Home programme team to ensure they use the right processes to get the best results, including quality improvement, change management, project management and clinical support.

Highlights 2017

READY STEADY QUIT MAKES POSITIVE IMPACT ON SMOKERS

Helen used to smoke a packet of cigarettes a day. She knew all her life that smoking was having a detrimental effect on her health but something was stopping her from doing anything about it. After being diagnosed with cancer, Helen made a firm decision to quit.

With free coaching and nicotine replacement under ProCare's Ready Steady Quit programme, Helen has successfully kicked her smoking habit. For her, the support sessions we offer made all the difference.

"It was brilliant because I could actually talk to somebody, rather than trying to do it on my own," she says of the programme.

Ready Steady Quit is a ProCare partnership with Auckland health service provider The Fono, and provides face-to-face smoking cessation support for people across the Auckland and Waitemata DHB regions.

As of January 2017, 83,408 of ProCare's enrolled patient population were classified as smokers, that's 10% of the total population over 15 years of age, where more than one in five were Māori and one in seven were Pacific. Of those recorded as being a current smoker for the 2016–2017 financial year, 92.34 per cent were offered brief advice to quit smoking by a health care practitioner.

Key facts

- Programme aims for five per cent of ADHB/WDHB smoking population enrolled per annum (5,371)
- Support was provided either in individual or groups sessions

PATIENTS WITH CHRONIC ILLNESS REAPING BENEFITS OF SELF-MANAGEMENT

Outcomes of the work ProCare does to support people living with chronic illnesses are life-changing.

Patients with chronic health problems, eg, pain, are working with GPs, nurses and other community health professionals to become active partners in managing their health and wellbeing.

Most people who completed a programme survey intend to tell others about the programme (95%), said the programme helped them set goals that were reasonable and within reach (96%), trusted the information and advice given (99%), said the course leaders were well organised (98%), felt it was worth their time and effort to take part (95%), that difficult topics and discussions were handled well leaders (98%), thought the content was relevant (90%) everyone had a chance to speak (99%) and people in the group worked well together (99%).

"I was letting pain and ill-health take over my daily life. Coming to this meeting has changed what I do and how I think," one person says.

Another felt less alone "Made good friends; thank God for that."

> "THE VISION – TE WHAKAKITENGA: INDIVIDUALS, WHĀNAU AND COMMUNITIES SUPPORTED TO BE ACTIVE PARTNERS IN MANAGING THEIR HEALTH AND WELLBEING."

SELF - MANAGEMENT TOOLBOX

Self-management a key focus for nearly 10 years

ProCare has facilitated self-management programmes since 2008. They are delivered in local community venues, general practices, marae, churches and libraries.

Referrals to the programme are made through general practice, ProCare Psychological Services, NGOs and the community.

The self-management toolbox includes: physical activity, medications, decision-making, action planning, breathing techniques, understanding emotions, problem solving, using your mind, step, communication, healthy eating, weight management, and working with healthcare professionals.

Highlights 2017

HEALTHY LIFESTYLE PROGRAMMES MAKE BIG IMPACT

ProCare provided support for patients to attend three programmes to help them lose weight, get fit and slash their risk of becoming ill with diseases like diabetes. The Big Boys & Big Girls Club, green prescriptions and Jumpstart are all partnerships producing results for people inspired to have healthier lives. Here's a taste of some typical success stories.

Big girls and boys get a whole lot smaller

Mother of two, Celia started her journey on her birthday – first stepping into Genetics Gym OTC at 118kg, her heaviest since having her second child. She committed to three days a week for 12 weeks – which was one round in the OTC Big Boys & Big Girls classes.

Celia finished her classes feeling proud to have reached the milestone of hitting double digits on the scales.

More than 450 referrals were made to the club between May 2016 and May 2017. ProCare subsidises memberships over the 48-week programme.

Hundreds of morbidly obese people have been referred from South Auckland ProCare practices to Genetic Gym Manukau and, just like Celia, many have made great inroads with their weight loss.

"I am now in my 80s [kilos] and still carry on with my journey.

"My mission now is to maintain weight, tone up, keep it off and live a healthy lifestyle," Celia says.

Green scripts slash diabetes risk

Margaret Boyce has taken her HbA1c results from prediabetic levels to normal, by following through with her green prescription.

She was referred to the Manurewa Green Prescription Programme with prediabetes. Being active five days a week, Margaret lost 23kg in nine months, and significantly reduced her HbA1c. She remains active, fit and well thanks to her determination and the ProCare, Harbour Sport and Sport Auckland physical activity prescriptions.

Jumping into good health at the Y

In March 2017, 77-year-old Tirita Coombe was told by her GP she had prediabetes. So she signed up for the Jumpstart 10-week diabetes education and lifestyle programme at her local YMCA. Just four weeks into the programme, she had already lost 3kg and 6 inches around her waist.

The ProCare partnership with the YMCA has seen 100 per cent of participants report improved fitness, 87 per cent reporting weight loss and 60 per cent lowered blood pressure.

> "MY MISSION NOW IS TO MAINTAIN WEIGHT, TONE UP, KEEP IT OFF AND LIVE A HEALTHY LIFESTYLE." CELIA

Highlights 2017

WORK TO WELLNESS PILOT SUCCESSFULLY RETURNING PEOPLE TO WORK

Nine people are back in employment, and many more are being supported to seek a job, after our Work to Wellness pilot programme kicked off a year ago.

ProCare GPs and nurses from four practices identified 179 people to take part in the pilot, which supports Work and Income beneficiaries who have experience of a mental health condition to return to work.

Employment consultants from employment agency Workwise are based in pilot practices to provide seamless support to clients wishing to find and sustain employment.

People are given control of their experience with one telling us:

"I feel in control of my journey; nothing is forced upon me.

"It has all happened in a way that I'm comfortable with. Also, once or twice when things have spiralled downward, by having

> **"I FEEL IN CONTROL OF MY JOURNEY; NOTHING IS FORCED UPON ME."**

that relationship with the employment consultant they're able to think of all sorts of helpful things that I haven't even thought of."

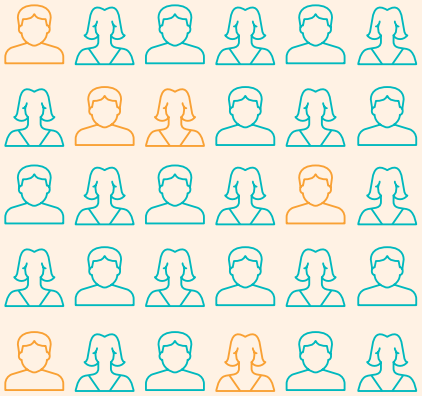
How it works

- Help to compete CVs and job applications
- Support with interviewing techniques
- Connect people to potential employers
- Motivation and encouragement to stay in work long term
- Access to psychological support services

The pilot runs until December 2017 with evaluation led by the University of Auckland.

153 PEOPLE

Have been identified by their GP to participate in the pilot and a number of those are now actively looking for employment.



ProCare + Workwise

The Work to Wellness pilot supports Work and Income beneficiaries who suffer from a mental health condition to return to work. It has been running in four practices since September, 2016.

9 PEOPLE RETURNED TO EMPLOYMENT

PRACTICE LOCATIONS

HOW IT WORKS

Employment consultants from Workwise are based in the pilot practices to provide seamless support to clients wishing to find and sustain employment.

1. Help to complete CVs and job applications
2. Support with interviewing techniques
3. Provide ongoing motivation and encouragement to stay in work long term
4. Clients also have access to Physiological Support Services

Highlights 2017

ACTION TO ALERT PACIFIC COMMUNITIES TO RHEUMATIC FEVER RISKS

At school, a nine-year-old boy was found to have a group A streptococcal infection (GAS+). His family was already aware of the risk of rheumatic fever through church programmes and took measures to make their home warmer, bought extra blankets and made sure their son finished his course of antibiotics.

At the same time, the boy's 51-year-old grandfather found his throat was feeling unusual. He went to his GP and had swabs taken, which came back positive. He was put on antibiotics for 10 days, too.

The whole family got together to support each other and to make sure no one else was affected. Pamphlets were delivered to their home and support was provided by their GP.

This is just one success story as a result of a community partnership called Healthy Village Action Zone, which is funded by Auckland DHB and works to eliminate rheumatic fever cases. The nurse-led initiative involving 14 churches, and in partnership with Alliance Health+, is empowering the Pacific community through self-management education. Its work focuses on health education, nutrition and fitness, health screening.

Key actions over the year

- Rheumatic fever health education session delivered to over 650 people in three months
- Supporting 14 churches to be creative and develop rheumatic fever innovation projects. The churches were provided with pamphlets and information about rheumatic fever
- Church ministers, who were informed about the high rate of rheumatic fever, took to the pulpits to reinforce health messages
- Held five events with music, drama and cultural activities – the Pacific way of delivering health messages
- A parish community nurse facilitated health screening to identify and refer at-risk people to their GPs. She also case managed mild to moderate cases. The nurse worked with three churches with GAS+ cases to provide families with added support.

Our Board

Dr Harley Aish - chairman

BHB, MB, CHB, DIPOBST, FRNZCGP

Harley started his career as a GP in Otara in 1997. Past roles include director of Southmed IPA, ProCare Health Ltd and ProCare Networks Ltd. He served on the executive of IPAC, was on the PSAAP PHO contract negotiations team and a PHO Performance Programme Governance Group member. Harley was the clinical champion for Greater Auckland Integrated Health Network's (GAIHN) High Risk Individual Workstream. He is a practising GP, director of the Medical Assurance Society and a member of General Practice NZ Executive committee.

Dr Jonathan Fox

MB, BS, MRCS, LRCP, MRCGP, FRNZCGP (DIST), FRACGP (HON) CMINSTD

Jonathan has been in general practice in Meadowbank with his wife for 24 years, since arriving in New Zealand from the UK. Past national positions include NZMA Board member, President of the RNZCGP and Council of Medical Colleges in New Zealand Chairman. In 2015, he was reappointed to the Medical Council of New Zealand for a third and final three-year term. Jonathan the Medical Council's Audit Committee Chairman and deputy Chairman of its Education Committee.

Dr Neil Hefford

BHB, MB, CHB, FRNZCGP

Neil graduated from Auckland Medical School in 1985 and has been a GP in his own practice in Grey Lynn for 24 years. He is a director of ProCare Networks Ltd and Chairman of ProCare's Clinical Governance Committee. His passion is achieving better integrated care and quality outcomes for our patient population through improved models of care, as well as improving GP work satisfaction and financial security.

Hanne Janes

LLB

Hanne has extensive commercial and legal experience, including managing start-up SMEs and strategic and economic consulting with Deloitte. Her law career spans a range of specialities including medical and health law, professional liability, regulatory compliance, health and safety, competition, employment, civil and relationship litigation. Following 15 years at the independent bar, Hanne was instrumental in establishing a healthcare practice at DLA Phillips Fox. Hanne practises as a barrister with an interest in alternative organisational dispute resolution.

Dr Craig King

MB, CHB, FRNZCGP

Craig has been practising as a GP in the area since 1990. He has been a member of the board since November 2015. Craig is a GP at Health New Lynn, which was established in 2013 from an amalgamation of four local medical centres in the wider west Auckland area.

Dr Francesco Lentini

FRNZCGP, PGDipGP, Certamen, PGCertTravMed

Francesco graduated in Italy in 1995, moved to the UK in 1999 and qualified as a surgeon in 2001. He completed his training in general practice in 2003 in London and spent a period working in Surrey before moving to New Zealand in 2005. Francesco was rural GP and partner in Wellsford for four years, where he was also a Coast to Coast PHO Board member. Currently, Francesco is a partner at the Mairangi Medical Centre; he's also an RNZCGP teacher, GPEP 1 lead medical educator, NZMC educational supervisor and a Primex examiner.

LEFT TO RIGHT: Dr Francesco Lentini, Dr Craig King, James Sclater, Dr Neil Hefford, Hanne Janes, Dr Jonathan Fox, Dr Jan White, Dr Harley Aish, June McCabe.

June McCabe

MBA

June has had a diverse career in both the public and private sectors at senior levels, including 20 years of investment banking experience. Her past and current corporate governance experience spans public, private and not-for-profit boards in the education, finance, health, housing, television and venture capital sectors. June is currently a Northland DHB and ProCare Networks Limited director, a ProCare's Audit and Risk Assurance Committee member and Remuneration and Governance Committee Chairman. She is also ProCare Charitable Foundation's Chairman.

James Sclater

BCOM, CA

James is a professional company director and trustee acting for companies and investment trusts, including Hellaby Holdings and Damar Industries. A chartered accountant, he is a member of Chartered Accountants Australia and New Zealand and the New Zealand Institute of Directors. Formerly, James was Chairman of Grant Thornton Auckland, where he was a business advisory services director, specialising in SME accounting, taxation and management advice. James is ProCare's Audit and Risk Assurance Committee Chairman and a member of the Remuneration and Governance Committee.

Dr Jan White

MB, CHB, FRNZCGP

Jan has been in general practice in Mt Eden for 30 years, having graduated from the University Of Otago in 1973. She is a member of ProCare's Pacific Heath Advisory Committee and the Konnect Clinical Governance Group. Jan is New Zealand Medical Association's General Practitioner Council deputy Chairman.

Our Governance Structure

ProCare Health Ltd (ProCare or PHL) is a Limited Liability Company. The great majority of its shares are held by the independent ProCare Charitable Foundation, which has a focus on giving back to the community.

The ProCare Board is responsible for setting the strategic direction of the organisation and adopting appropriate governance processes to ensure effective oversight of the organisation on behalf of shareholders, employees and other stakeholders. The Board appoints the Directors of Procare Network Limited (PNL) to act in the Primary Health Organisation (PHO). The Board is committed to high standards of corporate governance and follows, in principle, the corporate governance guidelines and principles developed by the Financial Markets Authority and the New Zealand Institute of Directors. The Board establishes committees to support it in its governance work. These committees do not make binding Board decisions, but make recommendations to the Board.

This year the charters for all ProCare boards and committees were updated to ensure the high standards of corporate governance are maintained.

To review our committee charters please visit http://www.procare.co.nz/about/governance/.

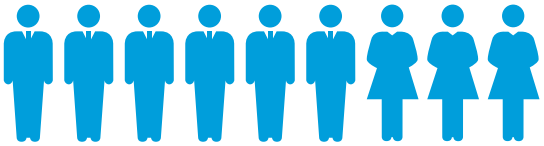
Boards

ProCare Networks Board

9 MEMBERS

ProCare Health Board

9 MEMBERS



Executive

6 MEMBERS

ProCare Health

107 FULL TIME EMPLOYEES

22 PART TIME EMPLOYEES

16 CONTRACTORS

Proper governance is the hallmark of a responsible company

ProCare's boards and committees provide business expertise, leadership and clinical governance for our organisation, ensuring the ongoing success of our business and clinical direction. Between 1 July 2016 and 30 June 2017 the committees and boards were as follows:

Audit & Risk Assurance Committee

The Audit & Risk Assurance Committee assists the board in fulfilling its responsibilities relating to accounting and reporting, external audit, legislative and regulatory compliance and general risk management for ProCare. The committee oversees, reviews and provides advice to the board on the Company's financial information, policies and procedures in regard to financial matters, external audit functions and internal control and risk management policies and processes. The committee reviews and reports to the boards on management's processes for the identification, prioritisation and management of risk

James Sclater (Chairman), Harley Aish, Hanne Janes (appointed 2/5/2017), June McCabe.

Remuneration & Governance Committee

The Remuneration & Governance Committee assists the board in the establishment of remuneration policies and practices for the company, and in discharging the board's responsibilities related to remuneration and governance; and monitors the Chief Executive Officer's performance.

June McCabe (Chairman), Harley Aish, Hanne Janes (appointed 2/5/2017), James Sclater.

Clinical Governance Committee

The Clinical Governance Committee (CGC) assists the board in the clinical governance of ProCare by providing advice to the board, Clinical Directorate, PNL and ProCare Management. The committee provides a population health perspective in relation to the clinical performance of ProCare and its provider network; recommends clinical goals; champions a culture of clinical excellence while providing regulatory oversight of the clinical safety and competence of ProCare's clinical providers; and sets and oversees the clinical direction and performance of ProCare. CGC is supported by ProCare's Clinical Directorate for implementing its work programme and managing clinical risks.

The Clinical Directorate is led by Dr Allan Moffitt and has grown with several new associate clinical directors this year.

Neil Hefford (Chairman), Metua Bates, Stephen Child, Jessie Crawford, Rod Jackson, Jim Kriechbaum, Dean Mckay, Patience Te Ao (resigned 20/4/2017), Doone Winnard.

Community Engagement Committee

The Community Engagement Committee gathers information on the health needs and community aspirations within our enrolled populations, provides advice on public health issues, such as drinking age and tobacco legislation, works with other health organisations to promote greater cohesion within the health sector and offers community advice on the development and implementation of health services programmes within the ProCare network.

Tevita Funaki (Chairman).

ProCare Māori Advisory Committee

ProCare's Māori Advisory Committee (ProMa) advises and supports ProCare and PNL, in recognising the special place of Māori peoples as Tangata Whenua, to respond to the diverse cultural needs of Māori peoples, and to promote health and wellbeing amongst Māori communities. The committee develops and helps implement Māori strategy for ProCare so it may achieve Māori health goals and reduce inequities in Māori health.

Patience Te Ao (Chairman), Taima Campbell (appointed 16 November 2016), Wikitora Gillespie, Francesco Lentini , John Marsden, George Ngatai (resigned 23 February 2017), Tania Riddell.

ProCare Pacific Advisory Committee

ProCare's Pacific Advisory Committee (ProPa) advises and supports ProCare and PNL, in recognising the special place Pacific peoples have in New Zealand society, to respond to the diverse cultural needs of Pacific peoples, and to promote health and wellbeing amongst Pacific communities. The committee develop and implements a Pacific strategy for ProCare so it may achieve Pacific health goals and reduce inequities in Pacific health.

Sam Fuimaono (Chairman), Metua Bates, Tevita Funaki, Judy Matai'a (appointed 09 February 2017), Stephen Stehlin, Ben Taufua (resigned 30/3/2017), Maika Veikune.

Other boards

ProCare Networks Ltd
The ProCare Network sLtd (PNL) board is responsible for ensuring that PNL discharges its responsibilities under its PHO Services Agreement and achieves the agreed outcomes and ensures the provision of essential primary health care services, mostly through general practices, to those people who are enrolled with the PHO. PNL currently holds a PHO agreement with Auckland District Health Board, Counties Manukau District Health Board and Waitemata District Health Board.

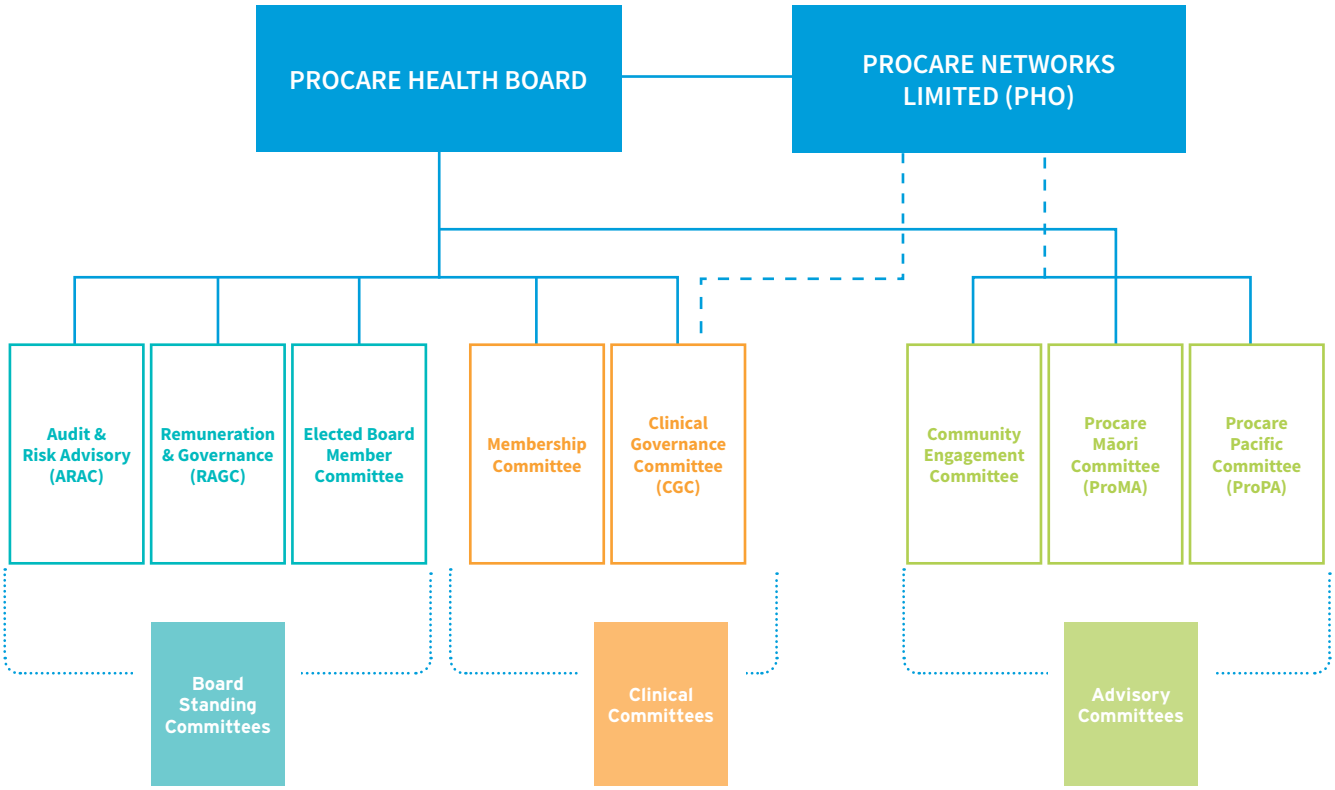
Board of Directors Tevita Funaki (Chairman), Kim Bannister, Sam Fuimaono (Pacific representative), Lesley Going, Neil Hefford, John Marsden, Renee Newman (nurse representative), June McCabe, Patience Te Ao (Tainui representative) .

Clinical Assessments Ltd (CAL) Neil Hefford (Chairman), John Betteridge, Paul Roseman.

ProCare Psychological Services Ltd (PPS) is governed by a management board of directors: Steve Boomert (Chairman), Dennis Baty (resigned 30 June 2017), Allan Moffitt, Tony Wai (appointed 1 July 2017).

Homecare Medical Ltd (HML) Board of Directors Roger Sowry (Chairman), Vince Barry, Steve Boomert, Lee Eglinton, Hillary Gray, James Sclater.

ProCare Governance and Advisory



PROCARE HEALTH LIMITED AND SUBSIDIARIES

DISCLOSURES AND FINANCIALS

for the year ended 30 June 2017

CONTENTS

Directory

Directors:

ProCare Health Limited	Dr H E Aish
	Dr C L King
	Dr J E M Fox
	Dr N J H Hefford
	J N McCabe
	J M Sclater
	Dr J F V White
	H Janes
	Dr F Lentini (appointed 22 November 2016)
	T D Janes (resigned 31 August 2016)
	Dr L E J King (resigned 22 November 2016)
ProCare Networks Limited	T F Funaki (Chairman)
	Dr R K Bannister
	Dr S Fuimaono
	L A Going
	Dr N J H Hefford
	J A Marsden
	J N McCabe
	R J E Newman
	P O Te Ao
ProCare Network West Limited	Removed from Companies Office on 17 March 2017
ProCare Psychological Services Limited	S J Boomert (Chairman)
	Dr A Moffitt
	T A Wai (appointed 1 July 2017)
	D E Baty (resigned 1 July 2017)
ProCare Health (LP) Limited	S J Boomert (Chairman)
	T A Wai (appointed 20 February 2017)
	D E Baty (resigned 20 February 2017)
Clinical Assessments Limited	Dr N J H Hefford (Chairman)
	Dr J H Betteridge
	P D Roseman

Group Chief Executive

S J Boomert

Subsidiaries:

	%
ProCare Networks Limited	100
ProCare Psychological Services Limited	100
ProCare Health (LP) Limited	100
Clinical Assessments Limited	67

All subsidiaries have a 30 June balance date.

Joint venture

Homecare Medical Limited Partnership	50

REGISTERED OFFICE:

Level 2
110 Stanley Street
Grafton
Auckland

BANKER:

ANZ Bank
PO Box 12 060
Penrose
Auckland 1642

SOLICITOR:

Buddle Findlay
PricewaterhouseCoopers Tower
188 Quay Street
Auckland 1140

AUDITOR:

BDO Auckland
Level 4, BDO Centre
4 Graham Street
Auckland

Directors' Report

for the year ended 30 June 2017

The Directors present their annual report including financial statements of the Group for the year ended 30 June 2017.

Directors

The persons listed on the directory page held office as directors during the year. No other person held the office of director at any time during the year.

Principal activities

ProCare Health Limited provides management and clinical services to its subsidiary, ProCare Networks Limited, which is a Primary Health Organisation (PHO). The Company's functions include the design, development, implementation and management of health programmes with the objective of improving the health status of patients in the care of associated general practitioners and their professional colleagues.

The Company's other subsidiaries are:

- ProCare Health (LP) Limited provided a telephone nurse triage service, which assisted the patients of subscribing GPs, PHOs and District Health Boards to access healthcare on a 24-hour basis, until 1 May 2014. After that date it became the limited partner in Homecare Medical (NZ) Limited Partnership (HMLP) which has taken over the business and associated assets of ProCare Health (LP) Limited. Its only activity going forward is to hold the Group's investment in HMLP, which is a 50% owned equity accounted investee.
- Clinical Assessments Limited facilitates the delivery of specific health service initiatives in the wider Auckland region; and
- ProCare Psychological Services Limited provides clinical psychological and psychiatric services in the wider Auckland region.
- ProCare Network West Limited was incorporated on 1 July 2007 and removed from the Companies Office on 17 March 2017.

Results

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Profit after tax for the year	**683,820**	275,029	**148,905**	1,077,785
Non-controlling interest in profit of subsidiary	**(277)**	(1,345)	**-**	-
Dividends paid to Ordinary A shareholders	**(27,800)**	(18,800)	**(27,800)**	(18,800)
Dividends paid to Ordinary B shareholders	**(227,400)**	(227,400)	**(227,400)**	(227,400)
Retained earnings at 1 July	**1,524,839**	1,497,355	**1,831,448**	999,863
Retained earnings at 30 June	**1,953,182**	1,524,839	**1,725,153**	1,831,448

Dividends

On 4 November 2016, the Board resolved to pay fully imputed dividends of $50 per "A" and "B" share.
Dividends were paid in December 2016 on Redeemable Preference Shares at a coupon rate of 7.5% and are recognised as an interest expense for accounting purpose. An accrual is recognised for dividends payable as at 30 June 2017, at the coupon rate.

Auditors

BDO Auckland continue in office as auditors.

Directors' Report (Continued)

for the year ended 30 June 2017

Directors' interests

Directors' interests have been declared pursuant to section 140(2) of the Companies Act 1993. Those directors are to be regarded as having an interest in any contract that may be made with any one of the group companies by virtue of their directorship or membership of those entities.

No material contracts involving directors' interests existed at the end of the financial year other than the transactions detailed below :

Directors' remuneration

ProCare Health Limited	2017 $ Directors Fees	2017 $ Committee Fees
Dr H E Aish	90,000	-
Dr C L King	45,000	-
Dr J E M Fox	45,000	-
Dr N J H Hefford	45,000	-
J N McCabe	45,000	15,000
J M Sclater	45,000	15,000
Dr J F V White	45,000	-
H Janes	45,000	10,000
Dr F Lentini (appointed 22 November 2016)	26,250	-
T D Janes (resigned 31 August 2016)	7,500	1,667
Dr L E J King (resigned 22 November 2016)	18,750	-
	457,500	**41,667**

ProCare Networks Limited	2017 $ Directors Fees
T F Funaki (Chair)	22,000
Dr R K Bannister	11,000
Dr S Fuimaono	11,000
L A Going	11,000
Dr N J H Hefford	11,000
J Marsden	11,000
J N McCabe	11,000
R J E Newman	11,000
P O Te Ao	11,000
	110,000

Directors' Report

for the year ended 30 June 2017

ProCare Psychological Services Limited	2017 $ Directors Fees
S J Boomert (Chairman)	-
D E Baty (resigned 1 July 2017)	-
T A Wai (appointed 1 July 2017)	-
Dr A Moffitt	-
	-

Clinical Assessments Limited	2017 $ Directors Fees
Dr N J H Hefford (Chairman)	5,000
Dr J H Betteridge- paid to East Health Services Limited	2,000
P D Roseman - paid to ProCare Health Limited	2,000
	9,000

ProCare Health (LP) Limited	2017 $ Directors Fees
S J Boomert (Chairman)	-
D E Baty (resigned 20 February 2017)	-
T A Wai (appointed 20 February 2017)	-
	-

Additional remuneration was paid to directors for services separate from services as a director as disclosed in note 20.3 of the financial statements.

Directors' Report (Continued)

for the year ended 30 June 2017

Employee remuneration

The number of employees in the Group, who are not directors, whose remuneration and benefits exceeded $100,000 in the financial year were:

Range	2017 Number
$400,001-$420,000	1
$260,001-$270,000	3
$220,001-$230,000	1
$160,001-$170,000	2
$130,001-$140,000	3
$120,001-$130,000	4
$110,001-$120,000	2
$100,001-$110,000	3

Directors and employees indemnity and insurance

The Company has insured all its directors and employees and those of its subsidiaries against liabilities to other parties (except the Company or a related party of the Company) that may arise from their positions as directors or employees.

Donations

In accordance with section 211(1)(h) of the Companies Act 1993, the Company records that it donated a total of $0 (2016: $750) to various charities during the year.

Director share ownership

ProCare Health Limited's ordinary shares owned by directors have the same voting rights as all other ordinary shares of ProCare Health Limited currently on issue.

As at 30 June 2017, directors had a relevant interest (as defined in the Securities Markets Act 1988) in ProCare Health Limited shares as follows:

Name	Relevant interest in ProCare Health Limited Shares 30 June 2017
Dr H E Aish	1
Dr C L King	1
Dr J E M Fox	1
Dr N J H Hefford	1
Dr J F V White	1
Dr F Lentini	1
Dr R K Bannister	1
Dr S Fuimaono	1

The above directors also received the Redeemable Preference Shares (RPS) as part of the capital restructure. Refer to note 18 on the RPS issue.

Use of company information

The board received no notices during the year from directors requesting to use company information received in their capacity as directors which would not have been otherwise available to them.

For and on behalf of the board

Harley Aish
Director
3 October 2017

James Sclater
Director
3 October 2017

Statement of Comprehensive Income

for the year ended 30 June 2017

		Group		Parent	
		2017	2016	**2017**	2016
	Notes	**$**	$	**$**	$
Revenue	3	**193,843,534**	184,830,197	**35,617,384**	36,517,800
Other income	3	**-**	-	**368,672**	244,637
Total income		**193,843,534**	184,830,197	**35,986,056**	36,762,437
Expenses					
Clinical costs		**170,385,858**	162,002,303	**15,452,271**	17,062,178
Administrative expenses	4	**23,829,258**	21,688,218	**20,660,990**	18,283,485
Total expenses	4	**194,215,116**	183,690,521	**36,113,261**	35,345,663
Operating profit		**(371,582)**	1,139,676	**(127,205)**	1,416,774
Finance income	3	**962,238**	764,341	**545,982**	270,820
Less: Finance costs	4	**127,042**	125,155	**124,234**	122,484
Net finance income		**835,196**	639,186	**421,748**	148,336
Profit before share of profit/ (loss) of equity accounted investees		**463,614**	1,778,862	**294,543**	1,565,110
Share of profit/ (loss) of equity accounted investees	16	**558,207**	(1,108,902)	**-**	-
Profit before tax		**1,021,821**	669,960	**294,543**	1,565,110
Income tax expense	17	**338,001**	394,931	**145,638**	487,325
Profit for the year		**683,820**	275,029	**148,905**	1,077,785
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income for the year		**683,820**	275,029	**148,905**	1,077,785
Profit attributable to:					
Owners of the company		**683,543**	273,684	**148,905**	1,077,785
Non-controlling interests		**277**	1,345	**-**	-
Profit for the year		**683,820**	275,029	**148,905**	1,077,785
Total comprehensive income attributable to:					
Owners of the company		**683,543**	273,684	**148,905**	1,077,785
Non-controlling interests		**277**	1,345	**-**	-
Total comprehensive income for the year		**683,820**	275,029	**148,905**	1,077,785

Statement of Financial Position

for the year ended 30 June 2017

		Group		Parent	
		2017	2016	**2017**	2016
	Notes	**$**	$	**$**	$
ASSETS					
Current assets					
Cash and cash equivalents	6	**12,882,014**	12,613,767	**4,030,234**	2,655,954
Investments - short term deposits	6	**5,000,000**	6,000,000	**2,000,000**	2,000,000
Trade and other receivables	7	**5,944,544**	6,453,354	**2,203,555**	2,276,155
Income tax receivable		**154,336**	2,608	**208,104**	-
Intercompany receivable	11	**11,572**	28,750	**3,646,148**	5,188,270
		23,992,466	25,098,479	**12,088,041**	12,120,379
Non-current assets					
Property, plant and equipment	13	**231,490**	211,996	**231,490**	211,996
Computer software	14	**1,205,694**	965,135	**1,205,694**	965,135
Deferred tax assets	17	**322,448**	493,747	**309,596**	480,927
Deferred settlement	8	**127,500**	345,903	**-**	-
Investment in subsidiaries	15	**-**	-	**648,403**	648,403
Investment in equity accounted investees	16	**2,359,445**	1,816,779	**118**	5,118
		4,246,577	3,833,560	**2,395,301**	2,311,579
TOTAL ASSETS		**28,239,043**	28,932,039	**14,483,342**	14,431,958
LIABILITIES					
Current liabilities					
Trade and other payables	9	**9,457,730**	7,878,386	**5,320,319**	4,551,896
Provisions	10	**-**	179,669	**-**	179,669
Deferred revenue	12	**11,767,318**	14,062,037	**2,253,416**	2,489,959
Income tax payable		**-**	283,018	**-**	246,853
Intercompany payables	11	**-**	-	**168,629**	172,754
Redeemable preference shares	18	**162,844**	218,148	**162,844**	218,148
		21,387,892	22,621,258	**7,905,208**	7,859,279
Long-term liabilities					
Redeemable preference shares	18	**2,184,000**	2,166,000	**2,184,000**	2,166,000
TOTAL LIABILITIES		**23,571,892**	24,787,258	**10,089,208**	10,025,279
NET ASSETS		**4,667,151**	4,144,781	**4,394,134**	4,406,679
REPRESENTED BY:					
EQUITY					
Share capital	19	**2,668,981**	2,575,231	**2,668,981**	2,575,231
Retained earnings		**1,953,182**	1,524,839	**1,725,153**	1,831,448
Equity attributable to parent		**4,622,163**	4,100,070	**4,394,134**	4,406,679
Non-Controlling Interests		**44,988**	44,711	**-**	-
TOTAL EQUITY		**4,667,151**	4,144,781	**4,394,134**	4,406,679

For and on behalf of the board

Harley Aish
Director
3 October 2017

James Sclater
Director
3 October 2017

Statement of Changes in Equity

for the year ended 30 June 2017

Parent 2016	Notes	Share capital $	Retained Earnings $	Total Equity $
Balance at 1 July 2015		2,548,231	999,863	3,548,094
Total comprehensive income for the period				
Profit for the period		-	1,077,785	1,077,785
Total comprehensive income		-	1,077,785	1,077,785
Transactions with owners recorded directly in equity				
Dividends	25	-	(246,200)	(246,200)
"A" shares repurchased	19	(21,000)	-	(21,000)
Issue of non-voting ordinary "B" shares	19	48,000	-	48,000
Balance at 30 June 2016		**2,575,231**	**1,831,448**	**4,406,679**

Parent 2017	Share capital $	Retained Earnings $	Total Equity $
Balance at 1 July 2016	2,575,231	1,831,448	4,406,679
Total comprehensive income for the period			
Profit for the period	-	148,905	148,905
Total comprehensive income	-	148,905	148,905
Transactions with owners recorded directly in equity			
Dividends	-	(255,200)	(255,200)
"A" shares repurchased	(5,500)	-	(5,500)
Issue of ordinary "A" shares	99,250	-	99,250
Balance at 30 June 2017	**2,668,981**	**1,725,153**	**4,394,134**

Statement of Changes in Equity

for the year ended 30 June 2017

		Attributable to owners of the Company				
		Share capital	**Retained Earnings**	**Total**	**Non-Controlling Interest**	**Total Equity**
Group 2016	Notes	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2015		2,548,231	1,497,355	4,045,586	43,366	4,088,952
Total comprehensive income for the period						
Profit for the period		-	273,684	273,684	1,345	275,029
Total comprehensive income		-	273,684	273,684	1,345	275,029
Transactions with owners recorded directly in equity						
Dividends	25	-	(246,200)	(246,200)	-	(246,200)
"A" shares repurchased	19	(21,000)	-	(21,000)	-	(21,000)
Issue of non-voting ordinary "B" shares	19	48,000	-	48,000	-	48,000
Balance at 30 June 2016		**2,575,231**	**1,524,839**	**4,100,070**	**44,711**	**4,144,781**

		Attributable to owners of the Company				
		Share capital	**Retained Earnings**	**Total**	**Non-Controlling Interest**	**Total Equity**
Group 2017		**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2016		2,575,231	1,524,839	4,100,070	44,711	4,144,781
Total comprehensive income for the period						
Profit for the period		-	683,543	683,543	277	683,820
Total comprehensive income		-	683,543	683,543	277	683,820
Transactions with owners recorded directly in equity						
Dividends	25	-	(255,200)	(255,200)	-	(255,200)
"A" shares repurchased	19	(5,500)	-	(5,500)	-	(5,500)
Issue of ordinary "A" shares	19	99,250	-	99,250	-	99,250
Balance at 30 June 2017		**2,668,981**	**1,953,182**	**4,622,163**	**44,988**	**4,667,151**

Statement of Cash Flows

for the year ended 30 June 2017

		Group		Parent	
		2017	2016	**2017**	2016
	Notes	**$**	$	**$**	$
Cash flows from/ (to) operating activities					
Cash provided from:					
Receipts from customers and funders		**192,565,100**	181,373,212	**37,901,607**	36,364,142
Interest income received		**550,011**	635,674	**125,501**	133,899
Dividends received		**-**	-	**1,866**	-
		193,115,111	182,008,886	**38,028,974**	36,498,041
Cash applied to:					
Payments to suppliers and providers		**(180,473,378)**	(171,802,837)	**(24,878,178)**	(24,524,060)
Payments to and on behalf of employees		**(11,752,958)**	(10,911,108)	**(10,320,439)**	(9,831,688)
Income tax paid		**(601,448)**	(98,792)	**(429,264)**	(71,839)
Interest paid		**(5,542)**	(2,671)	**(2,734)**	-
		(192,833,326)	(182,815,408)	**(35,630,615)**	(34,427,587)
Net cash from/ (to) operating activities	24	**281,785**	(806,522)	**2,398,359**	2,070,454
Cash flows from/ (to) investing activities					
Cash provided from:					
Investment of short term deposits	6	**1,000,000**	1,000,000	**-**	1,000,000
Proceeds from sale of property, plant and equipment		**-**	1,710	**292**	1,710
Received from associates		**15,541**	-	**5,000**	-
Cash applied to:					
Investment in and advance to equity accounted investees	16	**-**	(3,000,000)	**-**	(3,000,000)
Purchase of property, plant & equipment and software		**(708,825)**	(348,742)	**(709,117)**	(348,742)
Net cash from/ (to) investing activities		**306,716**	(2,347,032)	**(703,825)**	(2,347,032)
Cash flows applied to financing activities					
Cash provided from:					
Issue of ordinary "A" shares	19	**99,250**	48,000	**99,250**	48,000
Cash applied to:					
Share repurchase	19	**(41,500)**	(33,312)	**(41,500)**	(33,312)
Dividends paid to Ordinary A shareholders		**(27,800)**	(18,800)	**(27,800)**	(18,800)
Dividends paid to Ordinary B shareholders		**(227,400)**	(227,400)	**(227,400)**	(227,400)
Interest on redeemable preference shares		**(122,804)**	(122,484)	**(122,804)**	(122,484)
		(419,504)	(401,996)	**(419,504)**	(401,996)
Net cash applied to financing activities		**(320,254)**	(353,996)	**(320,254)**	(353,996)
Net increase/ (decrease) in cash and cash equivalents		**268,247**	(3,507,550)	**1,374,280**	(630,574)
Cash and cash equivalents at beginning of the year		**12,613,767**	16,121,317	**2,655,954**	3,286,528
Cash and cash equivalents at the end of the year	6	**12,882,014**	12,613,767	**4,030,234**	2,655,954

Statement of Significant Accounting Policies

for the year ended 30 June 2017

1) CORPORATE INFORMATION

The financial statements presented are for the reporting entity ProCare Health Limited (the Company) and for the Group comprising ProCare Health Limited (the parent company and the ultimate holding company), ProCare Health (LP) Limited, Clinical Assessments Limited, ProCare Psychological Services Limited, ProCare Networks Limited and ProCare Network West Limited (non trading), (the subsidiaries), and the Group's interest in equity accounted investees.

The financial statements of ProCare Health Limited and the financial statements for the Group for the year ended 30 June 2017 were authorised for issue in accordance with a resolution of the Directors on 3 October 2017.

The financial statements are for the year ended 30 June 2017.

The companies are limited liability companies incorporated and domiciled in New Zealand under the Companies Act 1993 and are reporting under the Financial Reporting Act 2013.

The Company is registered under the Companies Act 1993 and is a Financial Markets Conduct Act 2013 reporting entity in terms of the Financial Reporting Act 2013.

Principal activities

ProCare Health Limited (the "Company or the Parent") provides management and clinical services to its subsidiary ProCare Networks Limited which is a Primary Health Organisation (PHO). The Company's functions include the design, development, implementation and management of health programmes with the objective of improving the health status of patients in the care of associated general practitioners and their professional colleagues.

The Company's other subsidiaries are:
ProCare Network West Limited was incorporated on 1 July 2007. It did not trade during the year.

ProCare Health (LP) Limited provided a telephone nurse triage service, which assists the patients of subscribing GPs, PHOs and District Health Boards to access healthcare on a 24-hour basis, until 1 May 2014. After that date it became the limited partner in Homecare Medical (NZ) Limited Partnership which has taken over the business and assets of ProCare Health (LP) Limited.

Clinical Assessments Limited facilitates the delivery of specific health service initiatives in the wider Auckland region.

ProCare Psychological Services Limited provides clinical psychological and psychiatric services in the wider Auckland region.

2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with NZ GAAP. They comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate for profit-orientated entities. The financial statements also comply with International Financial Reporting Standards. The financial statements comprise the consolidated financial statements of the Group and the separate financial statements of the parent Company. The Company and the Group are profit-oriented entities.

Functional and presentation currency

The financial statements are presented in New Zealand dollars, which is the Company's and Group's functional currency and presentation currency. All values are rounded to the nearest dollar.

Basis of measurement

The financial statements are prepared on the historical cost basis.

2.2 Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are as follows:

- Income recognition and deferral utilising the income recognition policies in 2.3. See notes 3 - Revenue and 12 - Deferred revenue.
- Revenue recognition in relation to the National Telehealth contract in HMLP. See note 16.
- Recognition of deferred taxation in accordance with the taxation policy in 2.3. See note 17.2.
- Recognition of provisions in accordance with the provision policy in 2.3. See note 10.
- Estimation of when the redeemable preference shares will be redeemed. See note 18.
- Estimation of the deferred settlement receivable. See note 8.
- Taxation. See note 17.

2.3 Specific accounting policies

The following specific accounting policies which materially affect the measurement of profit and the financial position have been applied.

Revenue recognition

Revenue from the delivery of clinical services are recognised in the accounting period in which the services are rendered. Funding received in advance of service provision is treated as deferred income until the related service provision obligations are met. This includes initiatives funding.

Performance management income is recognised in the year it

Statement of Significant Accounting Policies

for the year ended 30 June 2017

relates to. 75% of the total payment is paid up front for capability and capacity building, 25% in quarter 1 and 50% in quarter 3. The remaining 25% is based on performance measured against the targets.

Interest earned on funding received in advance of service provision is also treated as deferred income per funding agreements required to be applied to the provision of future health services on the basis that the Company and Group have a constructive obligation to the funder. It is not regarded as income available to shareholders.

Interest income is recognised in the profit or loss on an accrual basis, using the effective interest method.

Deferred income held as 'Settlement saving funding' is held for the provision of general health services that meet criteria set when the funding was received. Under NZ IAS 18 the deferral is based on undertakings given by the Company to the funder and ongoing dialogue with them. These funds will be applied to meet current service expenditure at the Directors' discretion.

Dividend income is recognised in the profit or loss on the date the Company's right to receive payment is established.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company as at 30 June 2017 and the results of all subsidiaries for the year then ended. The Company and its subsidiaries together are referred to in these financial statements as the Group.

Subsidiaries are entities that are controlled, either directly or indirectly, by the Company. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

For the Group, intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.

Acquisition of non-controlling interests

Acquisition of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Investment in subsidiaries

In the parent Company's financial statements, investments in subsidiaries are stated at cost less any impairment if applicable.

Investments in associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate are accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation is recognised in the profit or loss on a straight line basis over the estimated useful lives.

Property, plant and equipment depreciation rates are summarised as follows for the current and prior year:

Leasehold improvements: 20% straight line

Furniture and equipment : 20% - 40% straight line

Computer hardware: 33% straight line

The estimated useful lives, residual values and depreciation methods are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

Subsequent costs

The cost of replacing part of an item of property, plant or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or parent Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other subsequent expenditure is expensed as incurred.

Statement of Significant Accounting Policies

for the year ended 30 June 2017

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are recognised in the profit or loss.

Computer software

All costs directly incurred in the purchase or development of major computer software or subsequent upgrades and material enhancements, which can be reliably measured and are not integral to a related asset, are capitalised as computer software.

Research and development

Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company or Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. Costs incurred on computer software maintenance are expensed to the profit or loss as they are incurred.

Computer software is amortised over the period of time during which the benefits are expected to arise, being two to five years. Amortisation commences once the computer software is available for use. The amortisation period is reviewed at each reporting date, with the effects of any changes in estimate accounted for on a prospective basis.

Financial instruments

Financial assets and liabilities are recognised in the statement of financial position initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition financial instruments are measured as described below.

A financial instrument is recognised when the parent Company or Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset.

The Company or Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, investments - short term deposits, loans and other borrowings, trade and other payables, redeemable preference shares and intercompany receivables and payables.

Financial assets and financial liabilities are only offset if there is currently legally enforceable right of offset and the Company or Group intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Company or Group has one classification of financial assets, loans and receivables. Loans and receivables comprise cash and cash equivalents, investments - short term deposits, trade and other receivables and inter company receivables. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in the active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. Loans and receivables are carried at amortised cost using the effective interest method, less impairment loss.

Trade and other receivables

Trade and other receivables are stated at amortised cost using the effective interest method. Due allowance is made for impaired receivables (doubtful debts). An impairment allowance is established when there is objective evidence that the Group or parent Company will not be able to collect all amounts due according to the original terms of the receivable. Receivables of a short-term duration are not discounted.

Trade and other payables

Trade and other payables (including intercompany payables) are carried at amortised cost using the effective interest method and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Company or Group prior to the end of the financial year that are unpaid and arise when the Company or Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Redeemable Preference Shares

Redeemable preference shares are carried at amortised cost.

Cash and cash equivalents

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

Investments - short term deposits

Investments in short term deposits include short-term liquid investments maturing within four to twelve months. These are measured at amortised cost using the effective interest method, less impairment losses.

Leased assets and lease incentives

Other leases are operating leases and the leased assets are not recognised on the statement of financial position. Payments made or received under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. The incentive to lease, paid by the landlord is amortised over the term of the lease, on a straight line basis.

Statement of Significant Accounting Policies

for the year ended 30 June 2017

Impairment

Financial assets (including receivables)

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company or Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss, and reflected in an allowance account against receivables.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

Non-financial assets

The carrying amounts of the Group's and Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("the cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised in previous periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Employee benefits

The Company and Group recognise a liability and an expense for employee bonuses where contractually obliged or when there is a constructive obligation to pay bonuses based on past practice.

Liabilities for wages and salaries, including non monetary benefits, and annual leave expected to be wholly settled within 12 months of reporting date, are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Taxation

Income tax for the period comprises current and deferred tax. Current and deferred tax are recognised as an expense or income in the profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss.

Current tax is the expected tax payable or receivable on the taxable income for the period, using tax rates enacted or substantively enacted at reporting date after taking advantage of all allowable deductions under current taxation legislation and any adjustment to tax liabilities in respect of previous years.

Deferred tax is recognised for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Statement of Significant Accounting Policies

for the year ended 30 June 2017

Dividend policy

The Company has a dividend policy of distributing around 50 % of the Net Profit after Tax with imputation credits attached only to the extent that these are available from taxation payments. The Directors reserve the right to amend the dividend policy at any time. Each dividend will be determined after due consideration of the capital requirements, operating performance, financial position and cash flows of the Company at the time.

Deferred settlement

The fair value of the deferred payment owing on the sale of a business segment or subsidiary is recognised as an asset at the acquisition date, calculated by discounting the expected cash flows comprising the deferred payment. The difference between the nominal and discounted value of the deferred payment will be recognised as notional interest income over the period of the settlement.

Goods and services taxation (GST)

The statement of comprehensive income has been prepared on a basis exclusive of GST.

All items in the statement of financial position are stated net of GST, with the exception of receivables and payables which are GST inclusive.

Statement of cash flows

The following is the definition of the terms used in the statement of cash flows:

- Cash and cash equivalents means coins, notes, demand deposits and other highly liquid investments in which the Company or Group has invested as part of its day to day cash management. Cash and cash equivalents does not include receivables or payables or any borrowing that forms part of a term liability.
- Investing activities include those relating to the addition, acquisition and disposal of property, plant and equipment and any addition and reduction of subsidiary investments and loans.
- Financing activities are those activities that result in changes in the size and composition of the capital structure of the Company or Group.
- Operating activities include all transactions and other events that are neither investing or financing activities.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in share capital.

Changes in accounting policies adopted in the preparation and presentation of financial statements

The only standard or interpretations that is effective for the first time this year is the amendments to NZIAS 1 re the disclosure initiative this has not had a material impact on the Company or Group. Changes have been made to the various notes to reflect the requirements of this initiative.

2.4 New standards and interpretations not yet effective

There are new standards, amendments to published standards and interpretations that are mandatory for the Company and Group's financial periods beginning on or after 1 January 2018 or later periods that are applicable to the Company and Group, but which the Company or Group has not adopted earlier.

	Standard/ Interpretation	Effective date (Periods beginning on or after)
NZ IFRS 9 (2013)	Financial Instruments	1 January 2018
NZ IFRS 15	Revenue	1 January 2018
NZ IFRS 16	Leases	1 January 2019

The Group is yet to assess the full impact of NZ IFRS 15 and 16. A working group lead by the CFO is reviewing the implementation of these standards. The group has yet to complete its work but it is likely that NZ IFRS 15 Revenue from Contracts and Customers will impact the basis upon which the Company and Group recognise revenue. The implementation of NZ IFRS 16 Leases will require the Company to capitalise its lease obligations (these principally relate to the leasing of premises) and recognise an equivalent liability. NZIFRS 15 and 16 are applicable for financial reporting periods beginning on or after 1 January 2018 and 2019, respectively.

There are no other standards or interpretations that are not yet effective that would be expected to have a material impact on the Group.

Notes to the Financial Statements

for the year ended 30 June 2017

3) INCOME

	Group		Parent	
	2017	2016	**2017**	2016
3.1 Revenue	**$**	$	**$**	$
First level services funding	**131,019,854**	127,619,842	**-**	-
Other DHB or Ministry of Health funding (health initiatives)	**50,576,368**	45,938,112	**28,625,344**	29,666,901
Performance management fees	**5,422,117**	4,555,499	**4,338,508**	4,923,157
Management fees received from DHB	**5,134,607**	5,019,041	**-**	-
Management fees to related parties	**199,710**	357,472	**1,148,733**	871,293
Income from non DHB or MOH (GP Services)	**1,481,436**	1,179,190	**1,233,259**	1,001,578
Other	**9,442**	161,041	**271,540**	54,871
	193,843,534	184,830,197	**35,617,384**	36,517,800

	Group		Parent	
	2017	2016	**2017**	2016
3.2 Other income	**$**	$	**$**	$
Rent received from subsidiaries	**-**	-	**366,806**	244,637
Dividend received from subsidiaries and associates	**-**	-	**1,866**	-
	-	-	**368,672**	244,637

	Group		Parent	
	2017	2016	**2017**	2016
3.3 Finance income	**$**	$	**$**	$
Interest received	**538,231**	623,894	**121,975**	130,373
Interest income earned on deferred revenue	**424,007**	140,447	**424,007**	140,447
	962,238	764,341	**545,982**	270,820

Interest income is from financial assets measured at amortised cost.

Notes to the Financial Statements

for the year ended 30 June 2017

4) EXPENSES

	Group		Parent	
	2017	2016	**2017**	2016
4.1 Expenses	**$**	$	**$**	$
First level service to GPs	**131,019,967**	127,619,917	**-**	-
Other Primary Health Organisation expenses	**39,365,891**	34,382,386	**15,452,271**	17,062,178
Administrative expenses - refer to 4.2 below	**23,829,258**	21,688,218	**20,660,990**	18,283,485
	194,215,116	183,690,521	**36,113,261**	35,345,663

		Group		Parent	
		2017	2016	**2017**	2016
4.2 Administrative expenses		**$**	$	**$**	$
Fees paid to auditors - BDO					
Audit of financial statements		**86,000**	81,750	**67,500**	63,000
Taxation services		**13,005**	12,300	**8,269**	7,750
Accounting advice		**120**	9,204	**120**	9,204
Review of half-year financial statements		**-**	18,825	**-**	18,825
Bad debts		**1,069**	1,670	**-**	-
Allowance for impairment losses on trade receivables		**97**	948	**(337)**	-
Depreciation		**147,028**	316,001	**147,028**	316,001
Amortisation		**301,781**	156,107	**301,781**	156,107
Directors remuneration	Note 20	**616,167**	558,750	**499,167**	446,666
Employee remuneration		**11,905,439**	10,990,642	**10,452,707**	9,895,775
Property expenses		**721,765**	743,991	**666,107**	712,220
(Profit)/ Loss on disposal of property, plant & equipment		**(37)**	8,459	**(37)**	8,459
Staff cost (training, recruitment, temp/contract staff) [1)]		**2,271,286**	2,486,628	**1,556,273**	1,548,206
Other expenses		**7,765,538**	6,302,943	**6,962,412**	5,101,272
		23,829,258	21,688,218	**20,660,990**	18,283,485

[1)] Includes Kiwisaver defined contribution for the Group of $230,085 (2016: $240,328) and for the Parent of $205,251 (2016: $214,233)

	Group		Parent	
	2017	2016	**2017**	2016
4.3 Finance costs	**$**	$	**$**	$
Interest paid	**6,198**	3,007	**3,390**	336
Interest accrued on Redeemable preference shares	**120,844**	122,148	**120,844**	122,148
	127,042	125,155	**124,234**	122,484

Interest expense is from financial liabilities measured at amortised cost.

Notes to the Financial Statements

for the year ended 30 June 2017

5) FINANCIAL INSTRUMENTS BY CATEGORY

The accounting policies for financial instruments have been applied to the line items below:

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Loans and receivables				
Cash and cash equivalents	**12,882,014**	12,613,767	**4,030,234**	2,655,954
Investments - short term deposits	**5,000,000**	6,000,000	**2,000,000**	2,000,000
Trade and other receivables	**5,767,125**	6,416,246	**1,769,058**	1,976,294
Intercompany receivables	**11,572**	28,750	**3,646,145**	5,188,266
Deferred settlement	**127,500**	345,903	**-**	-
	23,788,211	25,404,666	**11,445,437**	11,820,514
Financial liabilities at amortised cost				
Trade and other payables	**8,343,808**	6,665,691	**4,286,469**	3,662,082
Intercompany payables	**-**	-	**168,629**	172,754
Redeemable preference shares	**2,346,844**	2,384,148	**2,346,844**	2,384,148
	10,690,652	9,049,839	**6,801,942**	6,218,984

6) CASH AND CASH EQUIVALENTS AND INVESTMENTS

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Bank - Cash and cash equivalents	**12,882,014**	12,613,767	**4,030,234**	2,655,954
Short term deposits with maturities 4-12 months - Investments	**5,000,000**	6,000,000	**2,000,000**	2,000,000
	17,882,014	18,613,767	**6,030,234**	4,655,954

Bank balances and cash held by the Group is on a short term basis with original maturity of three months or less. The carrying amounts of these assets approximate their fair value.

7) TRADE AND OTHER RECEIVABLES

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Trade receivables	**5,772,168**	6,421,192	**1,772,719**	1,980,292
Impairment allowance	**(5,043)**	(4,946)	**(3,661)**	(3,998)
	5,767,125	6,416,246	**1,769,058**	1,976,294
Prepayments	**66,335**	37,108	**55,887**	14,694
GST receivable	**111,084**	-	**378,610**	285,167
	5,944,544	6,453,354	**2,203,555**	2,276,155
Movements in the specific impairment allowance				
Balance at start of year	**(4,946)**	(3,998)	**(3,998)**	(3,998)
(Additional allowance)/ balance written back	**(97)**	(948)	**337**	-
Balance at end of year	**(5,043)**	(4,946)	**(3,661)**	(3,998)

Trade receivables have a 30 day collection cycle. Any debtors that extend beyond this point are identified for discussion by management to include in the impairment allowance. The Group monitors its debtors closely and considers there is no requirement for a collective allowance.

Notes to the Financial Statements

for the year ended 30 June 2017

8) DEFERRED SETTLEMENT

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Deferred settlement - opening balance	**345,903**	330,027	**-**	-
Reduction of deferred receivable	**(234,279)**	-	**-**	-
Release of notional interest	**15,876**	15,876	**-**	-
Deferred settlement - closing balance	**127,500**	345,903	**-**	-

Under the terms of the sale and purchase agreement dated 27 March 2014, Homecare Medical (NZ) Limited Partnership (the Partnership) acquired the assets and contracts of ProCare Health (LP) Limited. The terms of the sale and purchase agreement included provision for a deferred payment of part of the consideration for these assets and contracts.

The agreement allows for the consideration to be settled progressively throughout the earn out period (four years from the establishment of the Partnership) depending on the earnings of Homecare Medical (NZ) Limited Partnership.

The fair value of the deferred payment is recognised as a receivable at the acquisition date, calculated by discounting the expected cash flows comprising the deferred payment. The difference between the nominal and discounted value of the deferred payment will be recognised as notional interest income over the period of the settlement.

At 30 June 2017 the Limited Partners have agreed the liability to PH(LP) limited will be settled for $127,500. As a result of this agreement the settlement receivable has been reduced to reflect this agreement.

9) TRADE AND OTHER PAYABLES

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Trade creditors	**5,374,006**	3,181,906	**3,142,051**	1,851,372
Health service claims	**815,887**	1,279,974	**815,887**	1,279,974
Other accruals	**2,153,915**	2,203,811	**328,531**	530,736
	8,343,808	6,665,691	**4,286,469**	3,662,082
GST payable	**-**	263,172	**-**	-
Other taxes (PAYE)	**14,188**	2,269	**11,768**	-
Accrual for holiday pay	**617,420**	589,081	**568,835**	538,497
Accrual for bonuses	**201,263**	162,240	**201,263**	162,240
Accrual for employee entitlements	**281,051**	195,933	**251,984**	189,077
	9,457,730	7,878,386	**5,320,319**	4,551,896

The fair value of trade and other payables approximates their carrying value. No interest is paid on payables.

Notes to the Financial Statements

for the year ended 30 June 2017

10) PROVISIONS

Group and Parent As at 30 June 2017	ADHB recovery & legal $	Total
Balance at 1 July 2016	179,669	179,669
Provisions made during the year	-	-
Provisions used during the year	(55,000)	(55,000)
Provisions reversed during the year	(124,669)	(124,669)
Balance at 30 June 2017	**-**	
Non-current	-	-
Current	-	-

DHB recovery & legal

The Company provided for the legal costs to defend against the associated potential claims against a contracted provider for incorrectly claiming capitation and the company for incorrect management fee relative to the incorrect capitation (Auckland DHB 2015 claim).

In 2017, Auckland DHB advised the company that an out of court settlement was reached with the provider. As part of that settlement, ProCare also agreed to settle the incorrectly claimed management fee. All the remaining provision for legal costs has been released.

11) RELATED PARTY PAYABLES AND RECEIVABLES

	Group		Parent	
	2017 **$**	2016 $	**2017** **$**	2016 $
Due to:				
Subsidiaries				
ProCare Psychological Services Limited	**-**	-	**168,629**	172,754
	-	-	**168,629**	172,754
Owing by:				
Subsidiaries				
ProCare Health (LP) Limited	**-**	-	**2,744,651**	2,663,208
Clinical Assessments Limited	**-**	-	**4,333**	4,333
ProCare Networks Limited	**-**	-	**885,589**	2,491,975
Equity accounted investees				
Homecare Medical (General Partner) Limited	**11,572**	28,750	**11,572**	28,750
	11,572	28,750	**3,646,145**	5,188,266

The amounts outstanding are unsecured, interest free, repayable on demand and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the current year for bad or doubtful debts in respect of the amounts owed to or by related parties. Refer to note 20 related parties.

Notes to the Financial Statements

for the year ended 30 June 2017

12) DEFERRED REVENUE

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Settlement saving funding	**1,294,163**	1,294,163	**1,294,163**	1,294,163
Interest income from settlement saving funding	**24,717**	448,725	**24,717**	448,725
Other programme funding	**10,410,498**	12,031,758	**896,596**	459,680
Initiatives funding	**37,940**	287,391	**37,940**	287,391
	11,767,318	14,062,037	**2,253,416**	2,489,959
Non-current	**-**	-	**-**	-
Current	**11,767,318**	14,062,037	**2,253,416**	2,489,959

The above revenue is deferred to reflect either the contractual obligations associated with the contracts or the constructive obligations arising from commitments by the Board to spend these funds and the interest accrued on them, on specific projects. They have been classified as current or term depending on the terms of the contracts or if no time frame exists on management estimate of when the funds will be spent. The funds associated with this income are restricted for use in accordance with the obligations.

Notes to the Financial Statements

for the year ended 30 June 2017

13) PROPERTY, PLANT AND EQUIPMENT

Group and Parent	Leasehold improvements $	Furniture and equipment $	Computer hardware $	Total $
2016				
Cost				
At 1 July 2015	630,953	418,278	787,729	1,836,960
Additions	7,768	15,568	29,110	52,446
Disposals	-	(10,718)	(97,887)	(108,605)
At 30 June 2016	638,721	423,128	718,952	1,780,801
Accumulated depreciation				
At 1 July 2015	490,641	338,562	436,747	1,265,950
Depreciation for the year	116,647	63,320	136,034	316,001
Disposals	-	(9,975)	(3,171)	(13,146)
At 30 June 2016	607,288	391,907	569,610	1,568,805
Carrying amount at 30 June 2016	**31,433**	**31,221**	**149,342**	**211,996**
Carrying amount at 1 July 2015	**140,312**	**79,716**	**350,982**	**571,010**

Group and Parent	Leasehold improvements $	Furniture and equipment $	Computer hardware $	Total $
2017				
Cost				
At 1 July 2016	638,721	423,128	718,952	1,780,801
Additions	-	42,237	124,540	166,777
Disposals	-	(27,456)	(24,787)	(52,243)
At 30 June 2017	638,721	437,909	818,705	1,895,335
Accumulated depreciation				
At 1 July 2016	607,288	391,907	569,610	1,568,805
Depreciation for the year	10,948	17,899	118,181	147,028
Disposals	-	(27,201)	(24,787)	(51,988)
At 30 June 2017	618,236	382,605	663,004	1,663,845
Carrying amount at 30 June 2017	**20,485**	**55,304**	**155,701**	**231,490**

Notes to the Financial Statements

for the year ended 30 June 2017

14) COMPUTER SOFTWARE

Group and Parent	$
2016	
Cost	
At 1 July 2015	1,754,017
Additions	
- Acquisitions – internally developed	94,304
- Other acquisition	287,282
Disposals	-
At 30 June 2016	2,135,603
Accumulated Amortisation	
At 1 July 2015	1,014,361
Amortisation for the year	156,107
Disposals	-
At 30 June 2016	1,170,468
Carrying amount at 30 June 2016	**965,135**
Carrying amount at 1 July 2015	**739,656**

Group and Parent	$
2017	
Cost	
At 1 July 2016	2,135,603
Additions	
- Acquisitions – internally developed	333,940
- Other acquisition	208,400
Disposals	-
At 30 June 2017	2,677,943
Accumulated Amortisation	
At 1 July 2016	1,170,468
Amortisation for the year	301,781
Disposals	-
At 30 June 2017	1,472,249
Carrying amount at 30 June 2017	**1,205,694**

Notes to the Financial Statements

for the year ended 30 June 2017

15) INVESTMENT IN SUBSIDIARIES

The following entities meet the definition of a subsidiary as described in the specific accounting policy "Principles of Consolidation" and accordingly are fully consolidated.

	Group				Parent	
	2017	2016	**2017**	2016	**2017**	2016
			$	$	**$**	$
Subsidiaries						
ProCare Networks Limited	**100%**	100%	**-**	-	**-**	-
ProCare Health (LP) Limited	**100%**	100%	**-**	-	**100,000**	100,000
ProCare Psychological Services Limited	**100%**	100%	**-**	-	**534,303**	534,303
Clinical Assessments Limited	**67%**	67%	**-**	-	**14,100**	14,100
			-	-	**648,403**	648,403

16) INVESTMENT IN EQUITY ACCOUNTED INVESTEES

All entities are incorporated and domiciled in New Zealand.

Homecare Medical (General Partner) Limited

In February 2014, ProCare Health Limited and Pegasus Health (Charitable) Limited established Homecare Medical (General Partner) Limited which became the general partner in Homecare Medical (NZ) Limited Partnership.

Homecare Medical (NZ) Limited Partnership

On 19 February 2014, ProCare Health (LP) Limited entered into a Limited Partnership agreement with Pegasus Health (LP) Limited. The new Partnership acquired 100% of the business and associated assets of ProCare Health (LP) Limited as noted in note 20. The acquisition was effective from 2 May 2014.

Investment in/ (committed funding to Homecare Medical (NZ) Limited Partnership	**2017**	2016
Committed Funding to Limited Partnership	**-**	-
Investment in Limited Partnership	**2,359,327**	1,801,120
Committed Funding and Investment in Limited Partnership	**2,359,327**	1,801,120
Opening Balance	**1,801,120**	(89,996)
Capital contribution	**-**	3,000,000
Share of profit / (loss) of equity accounted investees	**558,207**	(1,108,887)
Others	**-**	3
	2,359,327	1,801,120

Notes to the Financial Statements

for the year ended 30 June 2017

16) INVESTMENT IN EQUITY ACCOUNTED INVESTEES (continued)

As Homecare Medical (NZ) Limited Partnership (HMLP) is a limited partnership it is not responsible for income tax. The losses reported above are exclusive of income tax which is accounted for by the limited partners. ProCare Health (LP) Limited is a limited partner in HMLP and accounts for income tax in relation to the above profits or losses.

The Group holds 50% of the capital of HMLP. This investment has been accounted for as a Associate.

The National Telehealth Services contract, together with its existing business, is expected to ensure that HMLP is sufficiently profitable in the future to enable it to repay the Group's additional funding, existing receivables and deferred consideration. refer to note 8

Primary Options Limited

Primary Options Limited is a dormant company.

Primary Options Limited commenced trading on 25 February 2010 and ceased trading in December 2011.

The Company held one third of the share capital of Primary Options Limited.

Primary Options Limited was winded up in 2017 and removed from the Companies Office register. Net assets were equally distributed among all the shareholders.

			Group		Parent	
	2017	2016	**2017**	2016	**2017**	2016
			$	$	**$**	$
Primary Options Limited	**33%**	33%	**-**	15,541	**-**	5,000
			-	15,541	**-**	5,000

BPAC New Zealand Limited and New Zealand Medicines Formulary Limited Partnership

The Company is not in a position to obtain financial benefits from its investment in BPAC New Zealand Limited. As BPAC New Zealand Limited is a registered charity that is not able to make any distributions to its shareholders, all assets must be utilised in achieving its charitable purpose. Accordingly the financial performance of BPAC New Zealand Limited has not been equity accounted.

New Zealand Medicines Formulary Limited Partnership was formed in 2011 from seed capital provided from BPAC NZ on behalf of its shareholders. The partnership has yet to commence business. Any returns from the partnership will first go to repay the initial advance from BPAC NZ Limited.

The Company held 16.67% of the share capital of BPAC New Zealand Limited.

			Group		Parent	
	2017	2016	**2017**	2016	**2017**	2016
			$	$	**$**	$
BPAC New Zealand Limited	**16.67%**	16.67%	**118**	118	**118**	118
			118	118	**118**	118

Notes to the Financial Statements

for the year ended 30 June 2017

16) INVESTMENT IN EQUITY ACCOUNTED INVESTEES (continued)

Summary financial information for equity accounted investee, not adjusted for the percentage ownership held by the Group for the period ending 30 June 2017:

	Homecare Medical (NZ) Limited Partnership	
	2017	2016
	$	$
Current assets		
Cash & cash equivalents	**5,742,560**	931,423
Other current assets	**9,899,053**	2,927,437
Non current assets	**4,651,235**	4,613,530
Total assets	**20,292,848**	8,472,390
Current liabilities		
Financial Liabilities	**6,320,489**	2,226,579
Other current liabilities	**8,106,956**	1,278,416
Non current liabilities		
Financial Liabilities	**127,500**	345,903
Total liabilities	**14,554,945**	3,850,898
Net assets	**5,737,903**	4,621,492
Group's share of net assets	**2,868,952**	2,310,746
Dividends Received	-	-

	Homecare Medical (NZ) Limited Partnership	
	2017	2016
	$	$
Revenues	**36,187,415**	29,617,917
Interest Income	**192,351**	141,711
Expenses		
Interest Expense	**15,876**	15,876
Depreciation	**390,439**	308,331
Other Expenses	**34,857,038**	31,653,194
Income Tax	**-**	-
Profit/(Loss)	**1,116,413**	(2,217,773)
Group's share of profit/(loss)	**558,207**	(1,108,887)

Notes to the Financial Statements

for the year ended 30 June 2017

17) TAXATION

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
17.1 Income tax				
Income tax represented by:				
Income tax expense from continuing operations	**338,001**	394,931	**145,638**	487,325
	338,001	394,931	**145,638**	487,325
Current tax	**166,702**	372,449	**(25,693)**	488,501
Deferred tax asset	**171,299**	22,482	**171,331**	(1,176)
	338,001	394,931	**145,638**	487,325
Net profit before taxation	**1,021,821**	669,960	**294,543**	1,565,110
Prima facie income tax at 28%	**286,110**	187,589	**82,472**	438,231
Tax effect of permanent differences	**29,185**	207,342	**40,086**	49,094
Prior year tax adjustment	**22,706**	-	**23,080**	-
Income tax expense	**338,001**	394,931	**145,638**	487,325
17.2 Deferred tax asset and liabilities				
Balance at beginning of year	**493,747**	516,229	**480,927**	479,751
Current year temporary differences	**(171,299)**	(22,482)	**(171,331)**	1,176
Balance at end of year	**322,448**	493,747	**309,596**	480,927
Balance at year end attributable to:				
Employee entitlements	**161,578**	159,549	**149,113**	146,995
Trade receivables	**1,412**	1,385	**1,025**	1,119
Deferred revenue	**6,921**	125,643	**6,921**	125,643
Provisions	**10,568**	63,676	**10,568**	63,676
Property, plant & equipment	**141,969**	143,494	**141,969**	143,494
	322,448	493,747	**309,596**	480,927

Notes to the Financial Statements

for the year ended 30 June 2017

17) TAXATION (continued)

17.3 Imputation Credit Account (ICA)

The Company is part of a consolidated imputation credit tax group and accordingly imputation credits are only presented at a Group level.

Movements for the year were:

	Group	
	2017	2016
	$	$
Opening balance	**771,288**	827,727
Add:		
Income tax paid	**384,000**	101,484
Resident Withholding Tax paid	**39,410**	13,995
Other credits	**-**	424
Less:		
Refund received	**(2,038)**	(28,845)
Credit attached to dividends (paid)	**(99,222)**	(143,498)
Closing balance (at year end)	**1,093,438**	771,288

The closing credits represent the maximum amount of tax credits available to be attached to future dividends payable by the Company and subject to shareholder continuity rules.

Notes to the Financial Statements

for the year ended 30 June 2017

18) REDEEMABLE PREFERENCE SHARES

In 2012, the Company issued 25 fully paid RPS for every one ordinary share on issue, and subsequently resolved to immediately redeem 13 RPS for a consideration of $500 per share. The remaining RPS will pay a coupon rate set at the Board's discretion and is to be set at a premium over the five year swap rate at 30 June of the year of review. The coupon rate for the first five years shall be 7.5% per annum non-cumulative.

The holders of non-voting taxable RPS have the right to the return of the amount paid up on the RPS $500 and any accrued but unpaid (coupon) dividend in priority to the ordinary shares.

The RPS are redeemable at the discretion of the Board.

Redeemable Preference Shares	Number of shares	$
Opening balance as at 1 July 2015	4,548	2,274,000
Share repurchased	(24)	(12,000)
Issue of shares	-	-
Closing balance as at 30 June 2016	**4,524**	**2,262,000**
Opening balance as at 1 July 2016	4,524	2,262,000
Share repurchased	(72)	(36,000)
Issue of shares	-	-
Closing balance as at 30 June 2017	**4,452**	**2,226,000**

	Group and Parent	
	2017	2016
Redeemable Preference Shares	**$**	$
Proceeds from the bonus issue of Redeemable Preference Shares (4,524 shares at $500)	**2,262,000**	2,262,000
Buy back during the year	**(36,000)**	-
Net proceeds	**2,226,000**	2,262,000
Accrued interest	**120,844**	122,148
Carrying amount of liability at 30 June	**2,346,844**	2,384,148
Current	**162,844**	218,148
Non-current	**2,184,000**	2,166,000
	2,346,844	2,384,148

Notes to the Financial Statements

for the year ended 30 June 2017

19) SHARE CAPITAL

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Paid in capital				
616 (2016:443) Ordinary A shares	**394,981**	301,231	**394,981**	301,231
4548 Ordinary B shares	**2,274,000**	2,274,000	**2,274,000**	2,274,000
	2,668,981	2,575,231	**2,668,981**	2,575,231

Movement in Ordinary A Shares	**Number of shares**	$
Opening balance as at 1 July 2015	**389**	274,231
Share repurchased	**(42)**	(21,000)
Issue of shares	**96**	48,000
Closing balance as at 30 June 2016	**443**	301,231
Opening balance as at 1 July 2016	**443**	301,231
Share repurchased	**(11)**	(5,500)
Issue of shares	**184**	99,250
Closing balance as at 30 June 2017	**616**	394,981

All shares on issue are fully paid. All ordinary shares rank equally. Each fully paid ordinary A share has one vote. Each ordinary share has identical dividend rights.

Included in ordinary shares are 11 (2016: 67) treasury shares that have been acquired by the Company at a range of prices but most recently $500.

In October 2014 the Directors also resolved that 12 non-voting ordinary “B” shares be issued as fully paid, for every one of the 379 ordinary A share on issue, to the ProCare Charitable Foundation on the understanding that it obtains charitable status under the Charities Act 2005. The effect of this transaction is a reduction in the Company and Group’s retained reserves of $2,274,000 and a corresponding increase in non-voting ordinary “B” share capital. There was no effect on cash.

Notes to the Financial Statements

for the year ended 30 June 2017

20) RELATED PARTIES

For the purposes of this note, related parties include any of the following:
- Key management personnel or a close member of their family
- Directors and entities they control or have significant influence over
- Subsidiaries and associates

	Group		Parent	
	2017	2016	**2017**	2016
20.1 Transactions with key management personnel	**$**	$	**$**	$
Short-term employment benefits	**1,436,046**	1,492,997	**1,436,046**	1,492,997
Directors fees (See Directors' Report)	**616,167**	558,750	**499,167**	446,667

20.2 Transactions between related entities	**2017**	2016
Parent	**$**	$
Subsidiaries		
ProCare Health (LP) Limited		
Cash advances	**-**	3,000,000
Tax Loss offset	**81,443**	164,792
Clinical Assessments Limited		
Cost recoveries and management fees paid to ProCare Health Limited	**50,000**	50,000
ProCare Psychological Services Limited		
Cost recoveries and management fees paid to ProCare Health Limited	**705,217**	763,234
Government funding via ProCare Health Limited	**2,716,259**	2,444,254
Government funding via ProCare Networks Limited	**187,519**	101,270
Dividend paid to ProCare Health Limited	**-**	-
ProCare Networks Limited		
Health initiatives funds refunded by ProCare Health Limited	**-**	-
Cost recoveries and management fees paid to ProCare Health Limited	**29,551,970**	30,379,742
Clinical costs paid to ProCare Psychological Services Limited	**187,519**	101,270

The Company performs tax administration in respect of GST and Income tax for its wholly owned subsidiaries. Amounts due are paid to the Company, who in turns pays the Inland Revenue Department on behalf of the subsidiary.

	2017	2016
Equity accounted investees	**$**	$
Homecare Medical (General Partner) Limited		
Management fees (including rent) paid to ProCare Health Limited	**319,861**	319,861
Homecare Medical (NZ) Limited Partnership		
Cost recoveries (including rent) paid to ProCare Health Limited	**310,066**	1,004,633
Capital contribution by ProCare Health (LP) Limited	**-**	3,000,000
Other entities		
Procare Charitable Foundation		
Issue of Ordinary "B" shares	**-**	-
Payment of dividend	**227,400**	227,400

Notes to the Financial Statements

for the year ended 30 June 2017

20) RELATED PARTIES (continued)

20.2 Transactions between related entities (continued)	2017 $	2016 $
Outstanding balances at 30 June relating to these transactions were:		
Parent		
ProCare Health Limited		
Owed to related parties	**168,629**	172,754
Owed by related parties	**3,646,145**	5,188,266
Subsidiaries		
ProCare Health (LP) Limited		
Owed to related parties	**2,744,651**	2,663,208
Owed by related parties	**-**	-

A letter of support from the Company confirms continued financial support and that the cash advance of $3 million will not need to be repaid unless ProCare Health (LP) Limited is in a position to do so.

Clinical Assessments Limited		
Owed to related parties	**4,333**	4,333
ProCare Psychological Services Limited		
Owed by related parties	**185,676**	181,193
ProCare Networks Limited		
Owed to related parties	**902,637**	2,500,414

The amounts outstanding are unsecured and payable on normal trade terms as with all creditors.

Notes to the Financial Statements

for the year ended 30 June 2017

20) RELATED PARTIES (continued)

20.3 Other transactions with directors

During the year the Group made payments to GPs in relation to first level services, programme claims and PHO performance management. Some of these GPs are Directors in the Company and its subsidiaries. In the case of payments for first level services, the payments are made on behalf of the District Health Boards and are based on registers of enrolled patients submitted by the doctors to the District Health Boards. The payments to GPs for programme claims are made to all GPs at the same rate within their PHO area regardless of their status as a Director or Non-Director. The payments for performance management are based on algorithms that reflect the contribution of GPs and/or practices to PHO performance management targets. The algorithms are applied consistently in calculating and making of payments to GPs or GPs' practices regardless of whether the GP is a Director or not.

The amounts outstanding are unsecured and payable on normal trade terms as with all GPs.

	Group	
	2017	2016
	$	$
Transactions between the Group and Directors in their capacity as shareholders in ProCare Health Limited		
First level services	**2,216,705**	1,978,590
Programme claims	**272,568**	70,582
Performance management*	**180,065**	160,802
Management services	**-**	6,250
Interest on redeemable preference shares	**2,585**	2,585
	2,671,923	2,218,809

* the payment for performance management are made to the Directors' Practices, instead of each individual GP

	Group	
	2017	2016
	$	$
Balances arising from transactions with Directors in their capacity as shareholders in ProCare Health Limited		
Receivables	**4,539**	18,468
Payables	**43,216**	38,519

The Company has received revenue from Accident Compensation Corporation (ACC), of which T O Janes is Deputy Chairman. The revenues were in relation to general practice support services. Total revenue received during the year is $81,534 (2016: $8,436). The outstanding balance owed by ACC at 30 June 2017 is $nil (2016: $nil).

In conducting its activities, the Company is required to pay ACC levies. The payment of these levies is based on the standard terms and conditions that apply to all levy payers.

The terms and conditions of those transaction between the Company and ACC are no more favourable than the Company would have adopted if there were no relationship to the Board of Directors.

During the year, the Company purchased legal services of $8,960 (2016: $9,084), from H Janes, director of ProCare Health Limited.

Notes to the Financial Statements

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21) OPERATING LEASE COMMITMENTS

Leases as lessee

Future minimum rentals payable under non-cancellable operating leases are as follows:

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Less than one year	**787,827**	546,426	**787,827**	546,426
One to five years	**2,023,562**	1,220,125	**2,023,562**	1,220,125
Five years and above	**985,760**	-	**985,760**	-
	3,797,149	1,766,551	**3,797,149**	1,766,551

During the year an amount of $466,380 was recognised as an expense in profit or loss in respect of operating leases (2016: $481,553).

The Company leases a number of premises under operating leases. The leases typically run for three to eight years, with rights of renewal for a further two to six years.

Leases as lessor

The Company sublets the premises on Stanley Street to the Homecare Medical (NZ) Limited Partnership. The lease expires in June 2026.

During the year, $143,505 was recognised as revenue in profit or loss in respect of operating leases (2016: $260,748).

Operating lease payments expected as an operating lessor

The value of future minimum operating lease payments receivable:

	Group		Parent	
	2017	2016	2017	2016
	$	$	$	$
Less than one year	143,505	354,012	143,505	354,012
One to five years	287,010	1,069,749	287,010	1,069,749
Five years and above	-	15,508	-	15,508
	430,515	1,439,269	430,515	1,439,269

22) CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities or other capital expenditure not provided for at reporting date (2016: $nil).

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for the year ended 30 June 2017

23) FINANCIAL INSTRUMENTS

Currency risk

The Group has no exposure to foreign exchange risk. The Group only transacts in New Zealand dollars.

Interest rate risk

At reporting date, the Group has the following financial assets exposed to New Zealand variable interest rate risk :

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Bank - Cash and cash equivalents	**12,882,014**	12,613,767	**4,030,234**	2,655,954
Short term deposits with maturities 4-12 months - Investments	**5,000,000**	6,000,000	**2,000,000**	2,000,000
	17,882,014	18,613,767	**6,030,234**	4,655,954

2.95% was the average interest rate earned on cash deposits and short term deposits (2016: 2.99%).

The Group has no significant debt exposure.

It is estimated a 100 basis point decrease in interest rates would result in a decrease in the Group's interest earned in a year by approximately $178,821 on the Group's investment portfolio exposed to floating rates at balance date (2016: 100 basis point decrease of $186,138).

A portion of interest income is included in deferred interest revenue and therefore the above amounts would not impact fully on the profit before tax and equity.

Based on historical movements and volatilities and management's knowledge and experience, management believes that the above movements are 'reasonably possible' over a 12 month period: A shift of between 1%-2% in market interest rates. The impact on the profit or loss of a 1% movement is presented above.

Credit risk

To the extent that the Group has a receivable from another party, there is a credit risk in the event of non-performance of the counterparty. Financial instruments which potentially subject the Group to credit risk are listed below :

The Group manages its exposure to credit risk by performing credit evaluations on all customers requiring credit. Internal reporting surrounding the aging of its trade receivables occurs. The Group does not take guarantees, security interest as collateral or charge penalty interest on receivables past due.

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for the year ended 30 June 2017

23) FINANCIAL INSTRUMENTS (continued)

	Group		Parent	
	2017	2016	**2017**	2016
Maximum exposures to credit risk at reporting date are:	**$**	$	**$**	$
Cash and cash equivalents	**12,882,014**	12,613,767	**4,030,234**	2,655,954
Investments - short term deposits	**5,000,000**	6,000,000	**2,000,000**	2,000,000
Trade receivables	**5,772,168**	6,421,192	**1,772,719**	1,980,292
Intercompany receivables	**11,572**	28,750	**3,646,145**	5,188,266
Deferred settlement	**127,500**	345,903	**-**	-
	23,793,254	25,409,612	**11,449,098**	11,824,512

	Group		Parent	
	2017	2016	**2017**	2016
The status of trade receivables at reporting date is as follows:	**$**	$	**$**	$
Up to 30 days	**5,682,045**	6,009,984	**1,751,243**	1,820,687
31 to 90 days	**71,194**	182,293	**18,546**	17,808
More than 90 days	**18,929**	228,915	**2,930**	141,797
	5,772,168	6,421,192	**1,772,719**	1,980,292
Allowance for impairment	**(5,043)**	(4,946)	**(3,661)**	(3,998)
	5,767,125	6,416,246	**1,769,058**	1,976,294
Trade receivables not past due and not impaired	**5,677,002**	6,005,038	**1,747,582**	1,816,689
Trade receivables past due but not impaired	**90,123**	411,208	**21,476**	159,605
Trade receivables impaired individually	**5,043**	4,946	**3,661**	3,998
Trade receivables impaired collectively	**-**	-	**-**	-
	5,772,168	6,421,192	**1,772,719**	1,980,292

Refer to note 7 for the reconciliation of the movement in the impairment allowance.

Concentrations of credit risk

Cash and short term deposits are held with two separate trading banks which all have acceptable credit ratings.

The New Zealand Government departments and District Health Boards are regarded as a single customer. They comprise a significant amount of total revenue, being 99% (2016: 99%) for the Group and are considered an acceptable credit risk given their government backing. There are no other large concentrations of risk identified by the Directors.

Credit facilities

The Group does not have an overdraft facility.
The ProCare Health Limited receivable primarily relates to ProCare Networks Limited for fee payables under a Primary Health Organisation's service agreement, which are due from the District Health Boards.

Deferred settlement

The receivable relates to fair value of deferred payment of the consideration receivable from Homecare Medical (NZ) Limited Partnership. See note 8

Notes to the Financial Statements

for the year ended 30 June 2017

23) FINANCIAL INSTRUMENTS (continued)

Liquidity risk

All contractual financial liabilities stated in note 5 except redeemable preference shares are due to mature in less than six months time. There are no financial guarantees provided by the Group other than as disclosed below.

Liquidity represents the Group's ability to meet its contractual obligations.

The Group evaluates its liquidity requirements on an ongoing basis.

The Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities.

The table below analyses the Group's financial liabilities into relevant maturity bands, based on the remaining period from reporting date to the contractual maturity date. The cash flow amounts disclosed in the table represent undiscounted cash flows liable for payment by the Group.

Group	Notes	Carrying amount	Total contractual cash flows	On demand	6 months - 1 year	1 - 5 years	More than 5 years
As at 30 June 2017							
Trade and other payables	9	9,457,730	9,457,730	9,457,730	-	-	-
Redeemable preference shares	18	2,346,844	604,220	-	120,844	483,376	-
		11,804,574	**10,061,950**	**9,457,730**	**120,844**	**483,376**	**-**
As at 30 June 2016							
Trade and other payables	9	7,878,386	7,878,386	7,878,386	-	-	-
Redeemable preference shares	18	2,384,148	612,300		122,460	489,840	-
		10,262,534	**8,490,686**	**7,878,386**	**122,460**	**489,840**	**-**

Parent	Notes	Carrying amount	Total contractual cash flows	On demand	6 months - 1 year	1 - 5 years	More than 5 years
As at 30 June 2017							
Trade and other payables	9	5,320,319	5,320,319	5,320,319	-	-	-
Intercompany payables	11	168,629	168,629	168,629			-
Redeemable preference shares	18	2,346,844	604,220		120,844	483,376	-
		7,835,792	**6,093,168**	**5,488,948**	**120,844**	**483,376**	**-**
As at 30 June 2016							
Trade and other payables	9	4,551,896	4,551,896	4,551,896	-	-	-
Intercompany payables	11	172,754	172,754	172,754			-
Redeemable preference shares	18	2,384,148	612,300		122,460	489,840	-
		7,108,798	**5,336,950**	**4,724,650**	**122,460**	**489,840**	**-**

(1) The Company is committed to pay $122,460 per annum until such time as the shares are redeemed. The liability for the face value of the shares only arises when a shareholder leaves the Group accordingly the liability to settle this amount is not shown in the contractual cash flows.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to the Financial Statements

for the year ended 30 June 2017

23) FINANCIAL INSTRUMENTS (continued)

Fair values

The following financial assets and liabilities being cash, investments - short term deposits, deferred settlement receivable and trade balances are of a short term nature, accordingly the carrying amount is a reasonable approximation of their fair values. The interest rate on redeemable preference shares is set once every five years by the board - refer to note 18 for the basis used in setting this rate. The fair value of this financial instrument will depend upon the relationship of the current market interest rates to the coupon rate set by the board. As the board will rest the rate in October 2017 the current carrying value approximates the fair value.

Other risk

A significant amount of funding comes from the New Zealand Government departments and District Health Boards. The Group has contracts with these entities that sets pricing and some programmes have capped claim drawdowns. As noted above, there is a concentration of reliance on the New Zealand Government departments and District Health Boards. When contracts are due for renewal, there is always a risk that pricing may be adjusted or contracts will not be renewed with entities within the Group.

Capital risk management

The Group does not rely on any external debt and does not have any externally imposed capital requirements. The Group's capital includes share capital and retained earnings. The Group's capital management objectives are to safeguard the Group's ability to continue as going concern and to deliver its services to its members and the public.

There were no changes in the Group's approach to capital management.

Bank guarantee

ProCare Health Limited has signed a lease with Manukau City Centre Limited for premises in Westfield Manukau mall. The lease is for seven years effective from 30 June 2011. The condition of the lease is an ANZ bank guarantee in favour of Manukau City Centre Limited of $40,000.

Bank security agreement

The Company has executed a General Security Agreement providing a first ranking charge over its present and after property in favour of its bankers in consideration of receiving a clean credit payroll facility of $550,000.

Notes to the Financial Statements

for the year ended 30 June 2017

24) NET CASH FLOW FROM OPERATING ACTVITIES

	Group		Parent	
	2017	2016	**2017**	2016
	$	$	**$**	$
Profit for the year	**683,820**	275,029	**148,905**	1,077,785
Non-cash items				
Depreciation and amortisation	**448,809**	472,108	**448,809**	472,108
Amortisation of lease incentive	**16,216**	53,716	**16,216**	53,716
Loss/(Gain) on sale of property, plant and equipment	**(37)**	8,459	**(37)**	8,459
Bad and impairment allowance accounts	**97**	948	**(337)**	-
Deferred income tax	**171,299**	22,482	**171,331**	(1,176)
Movement in deferred interest income	**(424,008)**	(140,446)	**(424,007)**	(140,447)
Share of (profits)/ losses of equity accounted investees	**(558,207)**	1,108,902	**-**	-
Disposal of investment in associate	**218,403**	-	**-**	-
	(127,428)	1,526,169	**211,975**	392,660
Movements in working capital				
(Increase)/decrease in prepayments	**(29,227)**	21,554	**(41,193)**	35,267
(Increase)/decrease in trade receivables	**649,024**	(545,449)	**191,357**	(162,086)
(Increase)/decrease in inter company receivable	**17,178**	242,772	**1,537,997**	547,071
Increase/(decrease) in taxation payable	**(434,746)**	273,656	**(454,957)**	244,662
Increase/(decrease) in trade payable	**1,784,347**	(1,292,864)	**710,254**	329,369
Increase/(decrease) in deferred revenue	**(1,886,927)**	(1,507,481)	**187,464**	(503,023)
Increase/(decrease) in GST	**(374,256)**	200,092	**(93,443)**	108,749
	(274,607)	(2,607,720)	**2,037,479**	600,009
Net cash from operating activities	**281,785**	(806,522)	**2,398,359**	2,070,454

25) DIVIDENDS

On 4 November 2016, the Board resolved to pay fully imputed dividends of $50 per “A” and “B” share (2016: $50 per share).

26) SUBSEQUENT EVENTS

There were no events subsequent to reporting date that would affect the financial statements (2016: $nil).

Independent Auditor's Report

for the year ended 30 June 2017

BDO Auckland

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF PROCARE HEALTH LIMITED

Opinion

We have audited the separate and consolidated financial statements of ProCare Health Limited ("the Company") and its subsidiaries (together, "the Group"), which comprise the separate and consolidated statement of financial position as at 30 June 2017, and the separate and consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and Group as at 30 June 2017, and the Company's and Group's financial performance and cash flows for the year then ended in accordance with New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm carries out taxation compliance and other advisory services for the Group. The firm has no other relationship with, or interests in, the Company or any of its subsidiaries.

Other Information

The directors are responsible for the other information. The other information comprises the Chair, the Chief Executive and the Directors' Reports, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements 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 separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Directors' Responsibilities for the Separate and Consolidated Financial Statements

The directors are responsible on behalf of the Company and Group for the preparation and fair presentation of the separate and consolidated financial statements in accordance with NZ IFRS, and for such internal control as the directors determine is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the directors are responsible on behalf of the Company and Group for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company and Group or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report

for the year ended 30 June 2017

BDO Auckland

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements 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 conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, 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.
- 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 Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group'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 separate and consolidated financial statements 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 Company and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Wayne Monteith.

BDO Auckland

BDO Auckland
Auckland
New Zealand
3 October 2017

Directors' Interests

for the year ended 30 June 2017

The following are general disclosures of interest given by Directors of the Group pursuant to section 140(2) of the Companies Act 1993 as at 30 June 2017.

Dr H E Aish

ProCare Health Limited	Director/ Chairman & Shareholder
Otara Family & Christian Health Centre Limited	Director & Shareholder
Medical Assurance Society New Zealand Limited	Director
Howick Baptist Healthcare	Director

Dr J E M Fox

ProCare Health Limited	Director & Shareholder
Goodfellow Foundation	Trustee
Institute of Directors	Member
Meadowbank General Practice	Partner
Medical Council of New Zealand	Member

J N McCabe

ProCare Health Limited	Director
ProCare Networks Limited	Director
ProCare Charitable Foundation	Trustee/ Chairman
Avanti Finance Limited	Director
Galatos Finance Limited	Director
Sustainable Prosperity NZ Limited	Director
Northland District Health Board	Director
Te Waka Pupuri Putea Limited	Director
Te Waka Pupuri Putea Trust	Trustee
Te Whainga Putea Limited	Director
Taitokerau Fibre Network Limited	Executive Director

J M Sclater

ProCare Health Limited	Director
Homecare Medical (General Partner) Limited	Director
Jamiga Investments Limited	Director & Shareholder
Callander Farms Limited	Director
Retail Dimension Limited	Director
Damar Industries Limited	Director
Reloaders Supplies Limited	Director
STM Group NZ Limited	Director
RD Group Holdings Limited	Director

Dr N J H Hefford

ProCare Health Limited	Director & Shareholder
ProCare Networks Limited	Director
Clinical Assessments Limited	Director/ Chairman
ProCare Clinical Governance Committee	Chairman
Grey Lynn Family Medical Limited	Director/ GP
Konnect Clinical Advisory Group	Member

Dr J F V White

ProCare Health Limited	Director & Shareholder
Mt Eden Medical Associates	Director
Konnect Clinical Advisor Group	Member
NZMA General Practice Council	Chairman
BPAC NZ Limited	Director

Dr C L King

ProCare Health Limited	Director & Shareholder
Health New Lynn Limited	Director/ Chairman
NLHCC Limited	Director/ Chairman
Westcare Medical Limited	Shareholder

H Janes

ProCare Health Limited	Director
Selenium Corporation Limited	Director & Shareholder
ProCare Charitable Foundation	Director (12 month term)
Healthcare Sector	Barrister
NIB NZ Limited	Director
NIB NZ Holdings Limited	Director

T F Funaki

ProCare Networks Limited	Director/ Chairman
ProCare Pacific Advisory Committee (ProPa)	Member
West Fono Health Trust	Chief Executive
St Mary's School, Avondale Board of Trustees	Chairman
Waitakere Task Force on Family Violence	Member
Waitemata Police District Pacific Advisory Board	Member
MSD Community Response Forum West Auckland	Member
Auckland Council Pacific Peoples Advisory Panel	Member
Oceania Career Academy	Director/ Chairman
Advisory Board Police Commissioner	Member
Pacific Advisory Board Unitec Council	Member
NZ Health Promotion Forum	Trustee/ Treasurer
Waves Governance Group	Member

Dr R K Bannister

ProCare Health Limited	Shareholder/ Contracted GP
ProCare Networks Limited	Director
ShoreCare Accident and Medical	Shareholder
WDHB – Clinical Advisor in Primary Healthcare	Employee
Mairangi Medical Centre Limited	Director
Mairangi Properties Owners Limited	Director
McClann Medical Services Limited	Director

Dr S Fuimaono

ProCare Health Limited	Shareholder
ProCare Networks Limited	Director
ProCare Pacific Advisory Committee (ProPa)	Chairman
Takanini Care Limited	Shareholder
One Health	Shareholder

R J E Newman

ProCare Networks Limited	Director
Milford Family Medical Centre	Employee
National Influenza Specialist Group	Member
New Zealand Nurses Organisation	Financial Member
New Zealand Practice Manager's Organisation	Financial Member
NZ College of Primary Health Care Nurses	Financial Member
Laser Nail Clinic	Shareholder

L A Going

ProCare Networks Limited	Director
Peninsula Medical Centre Limited	Managing Director/ Shareholder
Ongoing Enterprises Limited	Manager/ Shareholder
Practice Managers & Administrators of New Zealand	Financial Member
South Pacific Clinical Trials Limited	Director & Shareholder

J A Marsden

ProCare Networks Limited	Director
ProMa Advisory Committee	Member
Te Puna Hauora o te Raki Paewhenua	General Manager
TWONA - Te Puna Whanau Ora Network Alliance	Director
Hapai te Hauora o Tapui Trust	Director
Te Runanga o Ngati Whatua	Trustee
Equip Ltd (Mental Health Provider)	Kaumatua (Māori elder)
Connect Ltd (Mental Health Provider)	Kaumatua (Māori elder)
Raeburn House (Community Support Provider)	Kaumatua (Māori elder)
Northcote College	Kaumatua (Māori elderr)
Nga Tikanga Pono Kohanga reo	Kaumatua (Māori elder)
Caughey Preston, Aged Persons Care	Kaumatua (Māori elder)
Waitemata Police	Kaumatua (Māori elder)

P O Te Ao

ProCare Networks Limited	Director
ProMa Advisory Committee	Member
Watercare Limited, Monitoring Group	Member
Te Whakakitenga O Waikato	Chairman
Waikato/ Tainui Appointment Committee	Chairman
Waikato Tainui Te Arataura	Member
Waikato Tainui Social Development Te ope Koi Ora	Member

S J Boomert

ProCare Health Limited	CEO
ProCare Psychological Services Limited	Director/ Chairman
ProCare Health (LP) Limited	Director
Homecare Medical (General Partner) Limited	Director

D E Baty (resigned 1 July 2017)

ProCare Health Limited	COO
ProCare Psychological Services Limited	Director
ProCare Health (LP) Limited	Director

Dr J H Betteridge

Clinical Assessments Limited	Director
John Betteridge Medical Limited	Director & Shareholder
General Practice New Zealand	Councillor
East Health Trust PHO	Trustee
East Health Services Limited	Director & Shareholder
East Care Properties Limited	Shareholder
East Care Limited	Shareholder
East Health Management Limited	Director & Shareholder

P D Roseman

ProCare Health Limited	Employee
Clinical Assessments Limited	Director

T A Wai

ProCare Health Limited	CFO & Head of Corporate Services
ProCare Psychological Services Limited (appointed 1 July 2017)	Director
ProCare Health (LP) Limited (appointed 20 February 2017)	Director

Dr A Moffitt

ProCare Psychological Services Limited	Director
ProCare Health Limited	Clinical Director

Dr F Lentini

ProCare Health Limited	Director & Shareholder
Mairangi Medical Centre	Director
NW Auckland Region	RNZCGP Lead Medical Educator
ProMa Advisory Committee	Member

ProCARE

PROCARE HEALTH LIMITED

ProCare Networks Limited
ProCare Psychological Services Limited
ProCare Health (LP) Limited
Clinical Assessments Limited

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