

The Royal New Zealand
College of General Practitioners
Te Whare Tohu Rata o Aotearoa

ANNUAL REPORT

2017



The Royal New Zealand
College of General Practitioners
Te Whare Tohu Rata o Aotearoa

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A large, diverse group of people, mostly men and women in professional attire, are seated in a conference hall. Many of them have their right hands raised, giving a thumbs-up gesture. The atmosphere appears to be one of approval or agreement. The background is dark, suggesting an indoor event space.

New Zealand members of the British College of General Practitioners established a local Council in 1955. In 1973, it became a separate entity, and in 1979, it was granted permission to use “Royal”, becoming The Royal New Zealand College of General Practitioners.

MISSION

The Royal New Zealand College of General Practitioners is a professional body and postgraduate educational institute that sets standards for general practice, providing research, assessment, ongoing education, advocacy and support for general practitioners and general practice.

PURPOSE

To demonstrate the enduring value offered by general practice and general practitioners in a rapidly changing environment by leading and supporting members and general practice to ensure high quality, equitable care is offered to all patients.

General practitioners are doctors who are vocationally registered or those who are currently in general practice vocational training. They are able to provide the comprehensive range of services included in the scope of general practice and, with the requisite skills for each location, may work in rural, small town, urban or hospital settings.

VISION

The College seeks to have:

- a healthy sustainable general practitioner workforce;
- healthier New Zealanders through high quality general practice care; and
- a strong College supporting vibrant general practice.

Thumbs up, thumbs down?
Delegates at the College's 2016
Conference for General Practice.



THE BOARD

(AS AT 31 MARCH 2017)

Dr Tim Malloy (President)
Dr Sue Crengle (Te Akoranga a Māui representative)
Dr Lauren McGifford (Elected member)
Dr Joseph Scott-Jones (Elected member)
Dr Apisalome Talemaitoga (Elected member)
Ms Anita Mazzoleni (Appointed member)
Dr Mark Peterson (Appointed member)

Board meetings are also attended by Dr Chris Reid (ex-officio as Chair of the National Advisory Council) and Dr Daniel McIntosh (ex officio as Board apprentice). Neither Dr Reid nor Dr McIntosh has voting rights.

LEADERSHIP TEAM

(AS AT 31 MARCH 2017)

Helen Morgan-Banda (Chief Executive)
Joe Grayland (General Manager, Learning)
Katie Mathison (General Manager, Membership)
Dr Richard Medicott (Medical Director)
Michael Thorn (Manager, Strategic Policy)
Kelvin Wong (General Manager, Corporate)
Kate Wang (General Manager, Quality)
Trish Gruschow (Human Resources Manager)
Terina Moke (Tumuaki Māori)

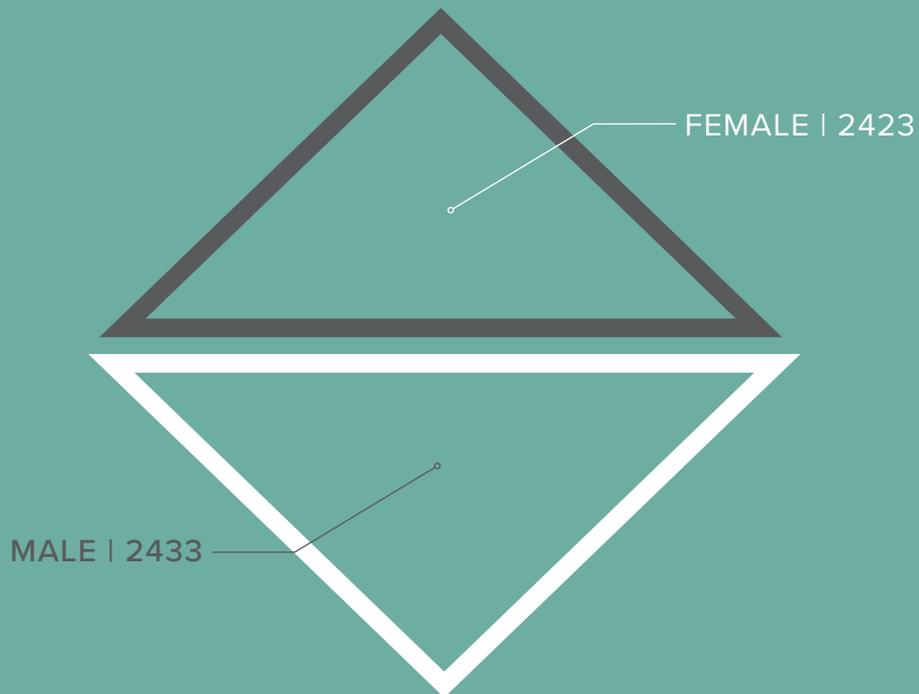
NATIONAL ADVISORY COUNCIL

(AS AT 31 MARCH 2017)

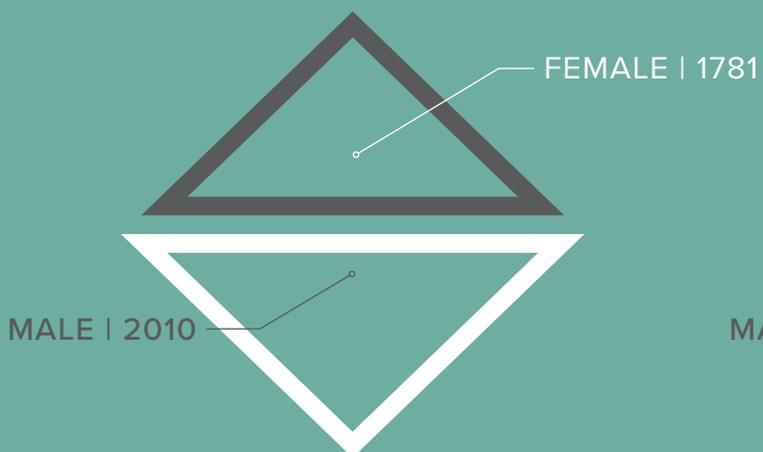
Dr Chris Reid – Northland (Chair)
Dr Sarah Sciascia – Te Akoranga a Māui
Dr Katrina Kirikino – Te Akoranga a Māui
Dr Maryann Heather – Pacific Chapter
Dr Stephen Main – Division of Rural Hospital Medicine
Dr Vanessa Souter – Registrars and Associates in Practice Chapter
Dr Graham Jelley – Rural General Practitioners' Chapter
Dr Chandrakanth Jayaraman – Auckland
Dr Bronwyn Campbell – Waikato/Bay of Plenty
Dr David Rodgers – Hawkes Bay
Dr Andrea Crichton – Wellington
Dr Liz Scott – Nelson/Marlborough
Dr Ben Hudson – Canterbury
Dr Phil White – Otago
Dr Bill Grove – Southland

OUR MEMBERS AT A GLANCE

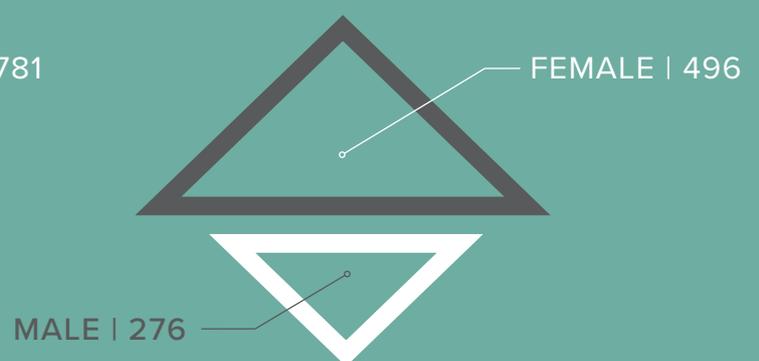
ALL MEMBERS BY GENDER



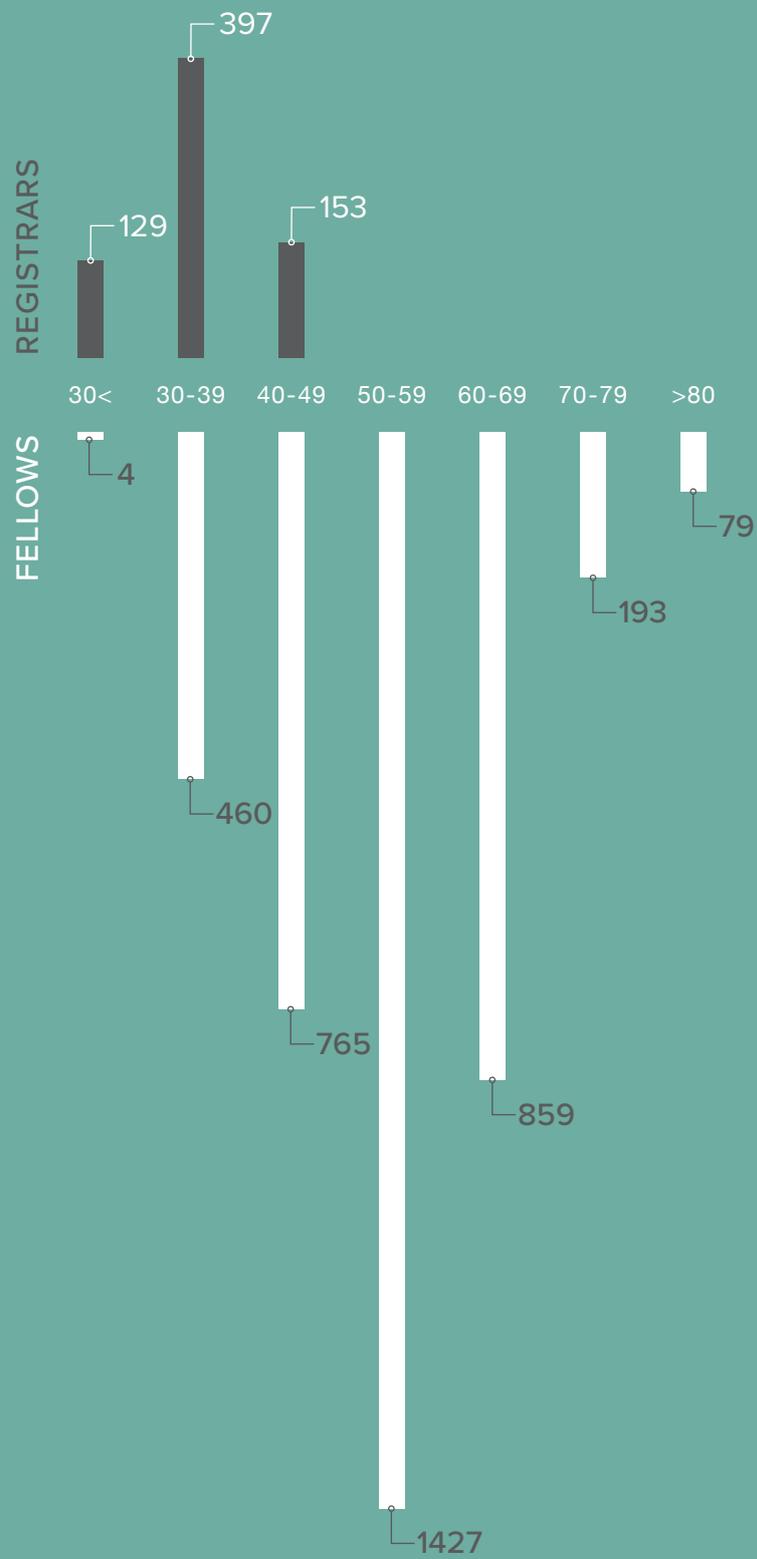
FELLOWS BY GENDER



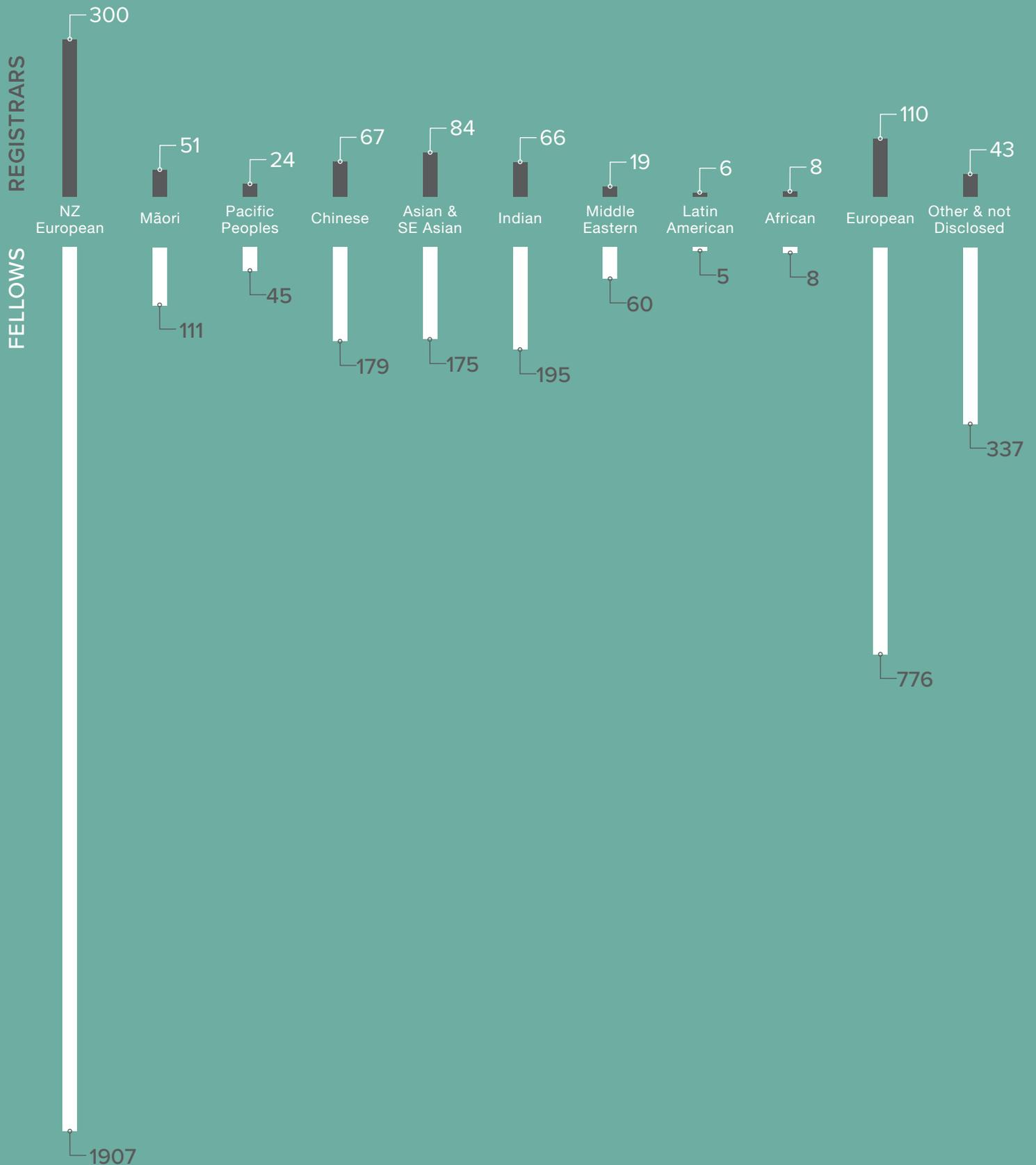
REGISTRARS BY GENDER



AGE PROFILES OF REGISTRARS & FELLOWS



ETHNICITY PROFILES OF REGISTRARS AND FELLOWS

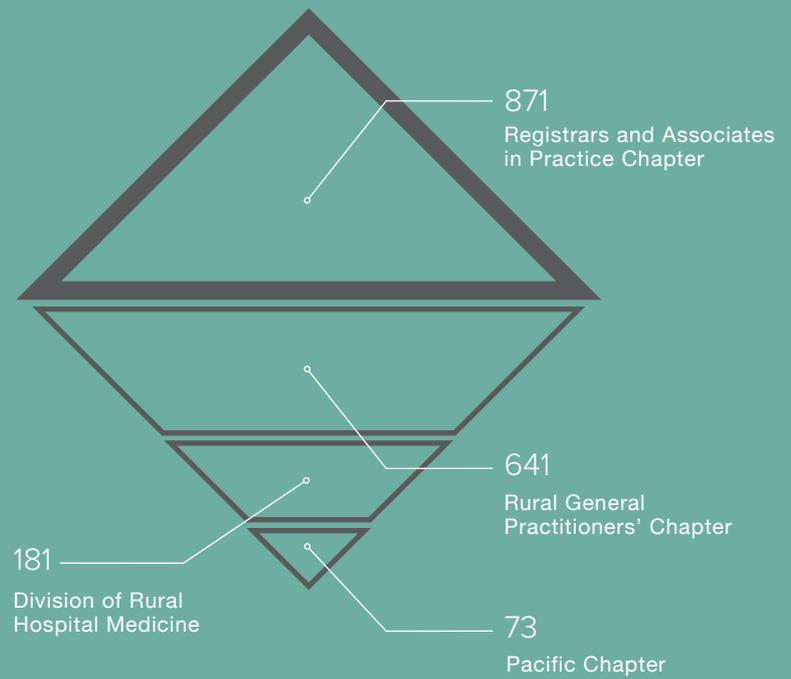


MEMBERS¹ OF THE COLLEGE

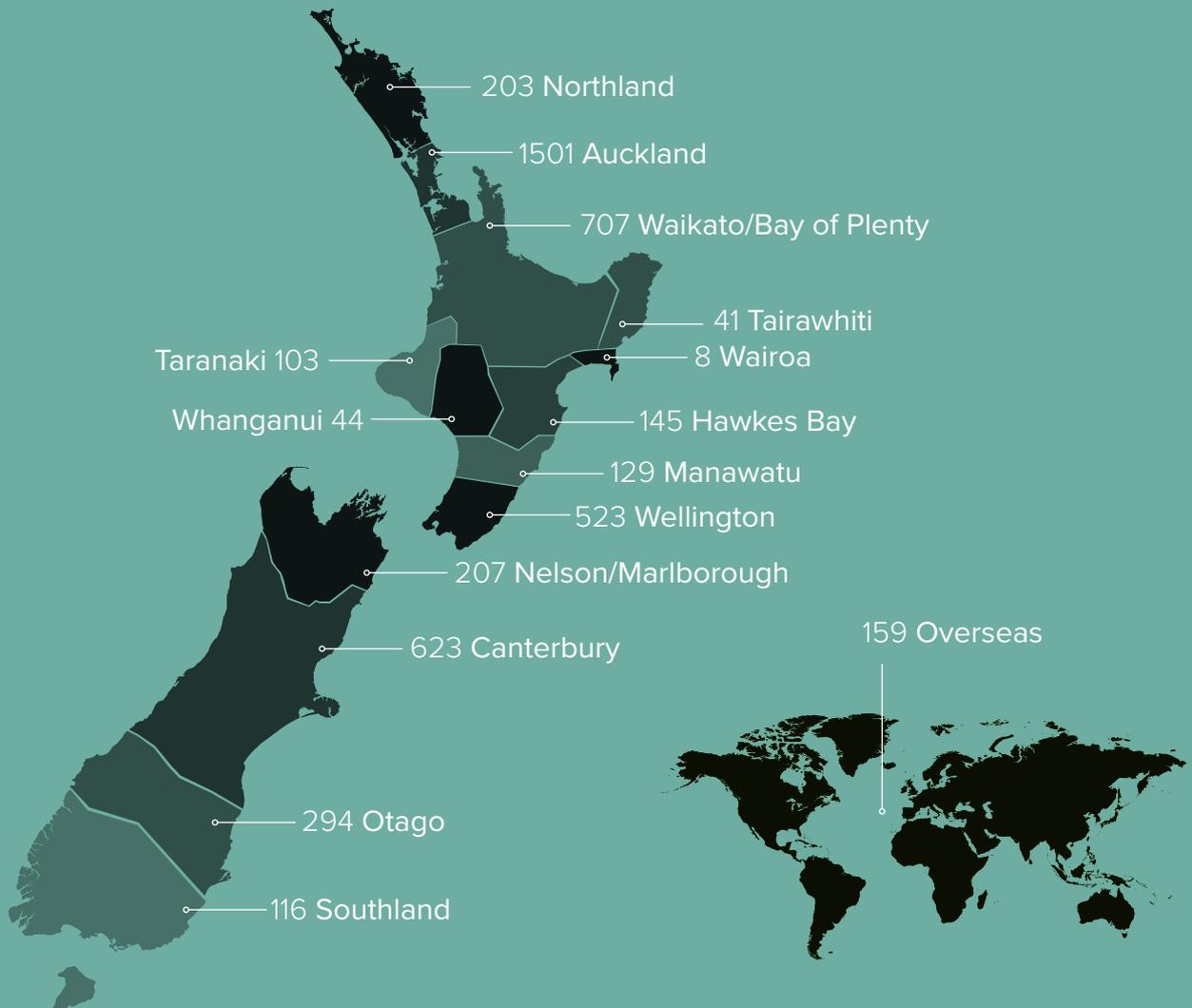
4856

¹ This includes Registrars, Fellows, Associates in Practice and Members

MEMBERS BY CHAPTER



MEMBERS BY FACULTY



772

GP REGISTRARS
IN TOTAL

1

WORKFORCE
SURVEY

4

NEW MEMBER
RESOURCES

1

NEW HONORARY
FELLOW
DAME TARIANA
TURIA

1

NEW FELLOW
OF THE DIVISION OF
RURAL HOSPITAL
MEDICINE

170

MEMBERS OF
TE AKORANGA
A MĀUI

196

GPEP1 REGISTRARS
IN THE 2016/17
INTAKE

201

NEW GENERAL
PRACTICE
FELLOWS

25

NEW LIFE
MEMBERS

44

SUBMISSIONS ON
PRIMARY CARE
ISSUES

7

NEW DISTINGUISHED
FELLOWS

DR DAVID TIPENE-LEACH

DR RACHEL THOMSON

DR KYLE EGGLETON

DR SAMANTHA MURTON

DR JILL MCILRAITH

DR BEN GRAY

DR SHARAD PAUL

SETTING STRATEGIES FOR THE COLLEGE

During 2016, the College formalised the Strategic Pillars it uses to guide its core activities and also launched its refreshed Māori Strategy.

The College's role as a membership organisation that provides leadership in general practice and primary care is built upon four strategic pillars: Membership, Equity, Workforce and Quality, each of which is supported by specific outcomes and activities.



For the next three years, the College will be focussed on:

- Advocating for members, and improving services for them;
- Improving health outcomes for Māori whānau and all communities
- Ensuring there is a sustainable, appropriately trained and distributed GP workforce in New Zealand; and
- Remaining the quality standard setter for New Zealand general practice.

He Ihu Waka, He Ihu Whenua, He Ihu Tangata

As the Bow of the Waka points towards the Headland,
it finds itself amongst People

In November 2016, the College was pleased to launch its refreshed Māori Strategy, *He Ihu Waka, He Ihu Whenua, He Ihu Tangata* (As the Bow of the Waka points towards the Headland, it finds itself amongst People), which has been built upon the College's first Māori Strategy, *He Ihu Waka, He Ihu Whenua*.

Its vision is *Whakatūtuki i te mana hauora taurite mō ngai Māori – Achieving health equity for Māori*.

The strategy aims to achieve health equity for Māori through three outcomes:

Tuatahi: Increase the number of Māori general practitioners.

Tuarua: Determine and enable a culturally and clinically competent general practitioner workforce.

Tuatoru: Provide leadership and advocacy across the primary health sector to achieve equitable health outcomes for Māori.

As it had been with the first Māori Strategy, Te Akoranga a Māui was again substantially involved in setting the purpose and outcomes in *He Ihu Waka, He Ihu Whenua, He Ihu Tangata*.

The College appreciates Te Akoranga a Māui's leadership in refreshing the strategy and its guidance in aligning the outcomes in *He Ihu Waka, He Ihu Whenua, He Ihu Tangata* with the College's strategic pillars.

In 2017, the College will release its Health Equity Strategy, aimed at improving health equity for all New Zealanders, with a particular emphasis on children's health.



REPORT

From the President and the Chief Executive

The Royal New Zealand College of General Practitioners fosters and maintains the highest possible standards for medical care within the scope of general practice, in order to reduce health inequalities and achieve improved health for all New Zealanders.

For the past several years, the College's focus has been to create a sustainable general practitioner workforce by increasing the number of GP registrars enrolled in its General Practice Education Programme and supporting its vocationally registered Fellows.

We are pleased to report that another 196 registrars joined the General Practice Education Programme (GPEP) training programme in 2016-17, bringing to 772 the total number of registrars working towards being vocationally registered GPs and Fellows of the College.

This year, after receiving a mandate from members at the 2016 Annual General Meeting, the College launched its campaign – GP Heart of the community, Kāinga Tupu – to advocate publicly for changes to the way that general practice is funded.

The campaign has brought mainstream media attention to the two main barriers to seeing a GP – the cost of visiting a doctor for high needs patients not enrolled in a Very Low Cost Access practice, and the shortage of GPs in parts of New Zealand.

In the College's view, both of these issues could be resolved substantially by reviewing the way that health, and health workforce training is funded, so that New Zealand has a system that is simple, equitable and transparent.

Of course, that is easier said than done, and although the College has not yet achieved equitable distribution of health funding for all New Zealanders, it continues to advocate for this change.

In the past 12 months, the College has also worked hard to achieve its purpose:

- Supporting and advocating for members of the College;
- Ensuring there is a sustainable, appropriately trained and distributed GP workforce in New Zealand;
- Equitable healthcare for all New Zealanders; and
- Quality standards in general practice.

Supporting our College members

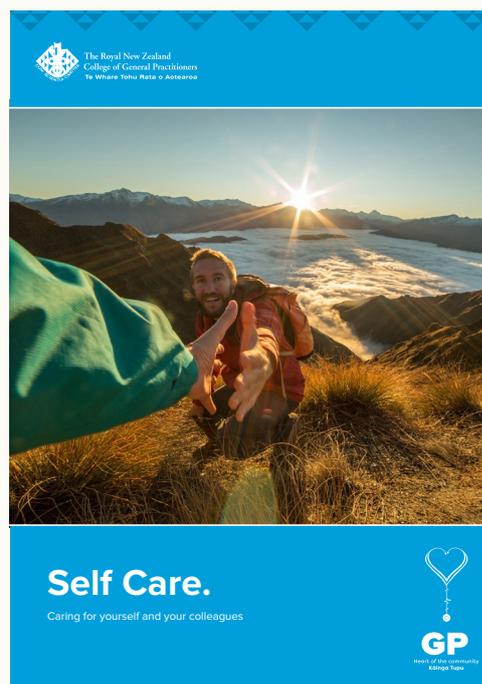
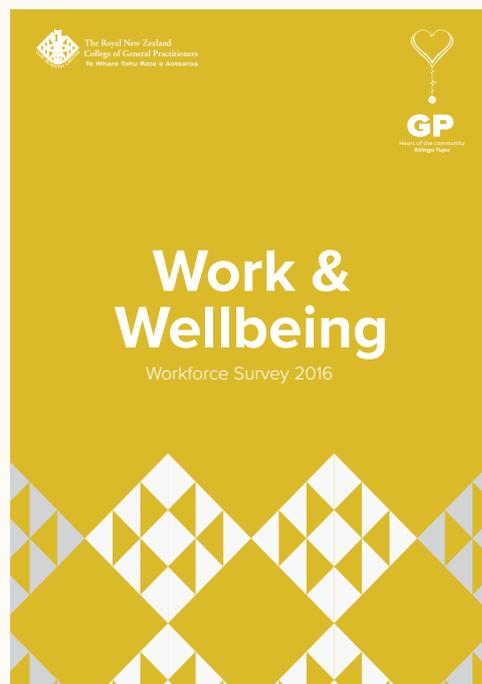
In many ways, the past year has been notable for the diversity of the College's advocacy, professional development events and resources published for members. It also heralded the launch of the College's new website, a new system for members to record their Continuing Professional Development activities, and the introduction of online applications for the GPEP programme and GPEP examinations.

The College's flagship publication, the annual Workforce Survey, attracted more than 2000 responses on questions as diverse as work and wellbeing; practice ownership and employment and use of technology in general practice.

Overall, the findings show that GPs are embracing technology to exchange information with other health professionals and patients, including a reasonable take up of patient portals.

However, the wellbeing responses revealed that 1-in-5 GPs felt burnt out by their roles, particularly if they were working full time, had after-hours commitments, or working in a practice with a vacancy for a full-time GP.

In response, the College published *Self Care, caring for yourself and your colleagues*. Covering the spectrum from preventing stress and burnout to finding help if needed, Self Care has become the College's most popular resource and has been downloaded more than 1400 times since its publication.



As usual, the findings regarding members' retirement intentions continue to forecast a large proportion of GPs intending to retire in the next 10 years. This year's survey reveals that 44% of GPs intend to retire by 2026, compared with the 2014 survey findings of 36% of GPs intending to retire by 2024.

Two-thirds of these retirees are practice owners, meaning that a considerable number of practices will be available for purchase. The good news, however, is that more than half of younger GPs reported they were keen to buy into a practice.

To support the ownership intentions of members, the College published *General Practice Ownership, demystifying the business end of general practice in New Zealand*, a practical guide for prospective and new owners. This resource, along with *Greening your practice*, has also been well received.

The retirement findings also revealed a greater proportion of rural GPs plan to retire in the next 10 years compared with urban-based GPs. As this will inevitably affect patients and health services in rural New Zealand, the College completed research aimed at focussing efforts to improve the training, recruitment and retention of rural GPs and rural hospital doctors, to mitigate these particular workforce issues.

The resulting report, *Rural General Practice in 2015: Education, Recruitment, Retention and Standards* made 12 recommendations, including:

- a target to fill at least 75 per cent of the available GPEP1 rural training positions each year;
- investigate advanced rural skills training and additional emergency medicine skills training after Fellowship;
- improving the continuing professional development opportunities for rural doctors; and
- advocating for a nationally consistent approach to district health boards' recruitment and retention strategies to better serve rural communities.

Subsequently, the College has begun work on scoping an advanced competency in rural medicine, and plans for implementing the targets for placing registrars in rural practices.

Developing members' professional skills

This year, the College provided two professional conferences for general practice.

The first – Education Convention 2016 (EdCon) – attracted 120 medical educators, in-practice teachers, small group facilitators, Fellowship assessors and censors to share and learn about the latest in teaching practise.

Recognising the importance of the bi-annual EdCon for everyone involved in delivering the GPEP programme, in 2016, the College fully funded every delegate to attend the 2-day forum.

Feedback from EdCon was excellent, with many delegates expressing their appreciation for the College's investment in their professional development.

Consequently, the College has decided that the bi-annual EdCon will be complemented by an education stream at the College's Conference for General Practice in order to provide an annual opportunity for professional development for all members involved in teaching and assessing registrars.

The flagship College Conference was the 2016 Quality Symposium and Conference for General Practice held at the Langham Hotel, Auckland.

More than 700 delegates attended, which is a record number for the College Conference.

The Conference Programme featured its usual wide-ranging mix of interesting research presentations on current issues like polypharmacy and multimorbidity, and panel



discussions on topics such as the role of GPs in team-based care. Alongside the plenary sessions, there was also time for GPs to attend the ever-popular practical sessions to practise minor skin surgery (on pork cheeks) and IUD insertions (on anatomical models).

In another first, the College sponsored governance training for members interested in pursuing governance roles either in the College or in the broader health sector.

The College had been concerned that it had no succession plan in place to encourage newer members of the College into its own governance roles, or to become Board members for District Health Boards or Primary Health Organisations. Its popular Board Apprentice scheme (initiated in 2014) trains only one member per year, which is insufficient to replace the current directors as their tenures end.

Subsequently, 18 members from 80 applicants were selected to receive governance training through the New Zealand Institute of Directors. The College Board will evaluate the success of the governance training initiative in August 2017 (12 months after it occurred), and decide whether governance training will continue to be offered to members.



RNZ interview with Kathryn Ryan
4/11/16

HEALTH / POLITICS

1 in 9 can't afford to visit doctor

From *Nine To Noon*, 9:08 am on 4 November 2016

Listen 15'02"
Add to playlist | Download

Kathryn Ryan talks with Dr Tim Malloy, President of the College of GPs about access to primary health care. Ministry of Health figures show 1 in 9 cannot afford to go to the doctor. Dr Malloy says the very people who need health care the most, are missing out, with long-term consequences for the country.



One News interview with Paul Hobbs
9/08/16

NEW ZEALAND

'I have to decide whether I feed my kids, or I get healthcare for myself' - top GP reveals patient's dilemma

10k Aug 9 | Share | 0:32

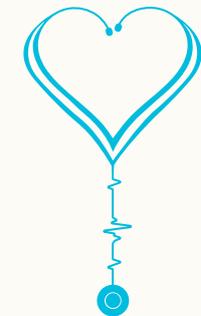
Source: Breakfast

Dr. Tim Malloy shares a very concerning issue: the rising cost of visiting a GP.
Source: Breakfast

Representing our members' views

At the 2016 Annual General Meeting, the President received a mandate from members to advocate publically for changes to the way that general practice is funded, and to fund the training of more GPs.

In November 2016, the President launched the College's campaign GP Heart of the community, Kāinga Tupu to share members' views and concerns via the media to help raise awareness of GP shortages and funding inequities.



GP

Heart of the community
Kāinga Tupu

The College has asked the Government to review the health funding regime, which has resulted in 500,000¹ New Zealanders being unable to afford GP visits because the Very Low Cost Access subsidy is not achieving its goal of helping high-needs, low-income patients.

¹ General Practice New Zealand. (2015). *Primary Care Working Group on General Practice Sustainability Report to the Minister of Health*. Wellington, New Zealand. Retrieved from <http://gpnz.org.nz/wp-content/uploads/PCWG-General-Practice-Sustainability-Public-Report.pdf>

In addition, the College is calling for more funding to train at least another 100 GPs (300 per year) for the next 10 years.

In other advocacy activities, the College made 44 submissions on primary care issues ranging from proposed Hepatitis C treatment, substance addiction, the Healthy Homes Guarantee Bill, and health of older people, to standardised tobacco packaging and advertising codes for children and young people.

The College also advocated that the funding criteria for progestogen-only long-acting intrauterine systems be broadened so that more women could benefit from these devices. The College's stance was supported by the New Zealand Nurses' Organisation and Family Planning, and Pharmac is considering the views.

The College also represented members' views on two Medical Council proposals – guidelines for doctors caring for themselves and those close to them, and the recertification requirements for all vocationally registered doctors in New Zealand.

The Medical Council agreed with some of the College's points about caring for others, and the Medical Council is continuing to consider the wide feedback it received from the College and other organisations regarding changes to doctors' recertification requirements.

Quality standards in general practice

During 2016, the College launched Phase 2 of QA2QI, its new IT system for all practices to record their quality activities required for either Foundation Standard certification or CORNERSTONE® accreditation.

At the end of the year, 670 practices were engaged in the CORNERSTONE® programme and 307 were engaged in the Foundation Standard programme.

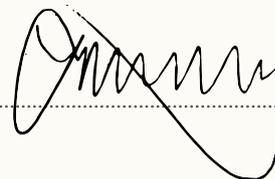
In July 2016, the College launched a new version of *Aiming for Excellence* at its Quality Symposium. Written for both Foundation and CORNERSTONE® practices, each Indicator is now structured in a way that clearly marks which criteria must be met for the Foundation Standard, which are compulsory for CORNERSTONE® practices, and which are optional, aspirational criteria.

The Quality team also introduced a newsletter for general practices, clinics and Primary Health organisations to keep them up to date with the College's activities in the Quality arena. Aimed at quality practitioners and staff with responsibility for quality activities, the Quality Standard provides tips, answers questions and provides updates for practices.

Votes of thanks

Our thanks go to the current Board members, the College team, our medical educators and teachers and the many members who represent the College on numerous working groups and committees for all your hard work and commitment in the past year.

And to our College members and colleagues, thank you very much for your support during through the year.



DR TIM MALLOY
PRESIDENT



HELEN MORGAN-BANDA
CHIEF EXECUTIVE

THE ROYAL NEW ZEALAND COLLEGE OF GENERAL PRACTITIONERS

GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Audit Report



Independent Auditor's Report

To the Members of The Royal New Zealand College of General Practitioners

Opinion

We have audited the consolidated financial statements of The Royal New Zealand College of General Practitioners and its subsidiary ('the group'), which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of comprehensive revenue and expense, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements, on pages 21 to 37, present fairly, in all material respects, the consolidated financial position of the group as at 31 March 2017, and its consolidated financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and 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 Consolidated Financial Statements* section of our report.

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

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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor, we have no relationship with or interests in the entity or any of its subsidiaries.

Other information

The Board is responsible for the other information. The other information comprises the information in the Annual Report that accompanies the consolidated financial statements and the audit report.

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

Our responsibility is to read the other information obtained prior to the date of our audit report, and consider whether it is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Board's responsibilities for the consolidated financial statements

The Board is responsible on behalf of the group for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board is responsible for assessing the 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 Board either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the 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 and 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 economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on at the External Reporting Board's website at:

https://www.xrb.govt.nz/Site/Auditing_Assurance_Standards/Current_Standards/Page7.aspx

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Board, as a body. Our audit has been undertaken so that we might state to the Board those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Wellington, New Zealand
21 June 2017

Consolidated Statement of Comprehensive Revenue & Expenses

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Group 2017 \$000	Group 2016 \$000
REVENUE			
Contract revenue		20,309	21,056
Membership subscriptions		4,109	4,066
Fees		3,964	3,081
Finance revenue	1	577	503
Faculties' and Chapters' revenue	2	437	417
Other revenue	3	532	480
TOTAL REVENUE		29,928	29,603
EXPENSES			
Salaries - Registrar employees		12,366	12,431
Salaries - College employees		5,862	5,641
Educators and other contractors		5,690	5,623
ICT costs		1,115	959
Travel and accommodation		1,306	1,062
Occupancy		589	608
Faculties' & Chapters' expenses	2	292	366
Other operating expenses	4	2,325	2,520
TOTAL EXPENSES		29,545	29,210
NET COMPREHENSIVE REVENUE & EXPENSES		383	393

Consolidated Statement of Changes in Net Assets/Equity

FOR THE YEAR ENDED 31 MARCH 2017

	Group 2017 \$000	Group 2016 \$000
Opening balance at 1 April	7,277	6,884
Net comprehensive revenue & expenses for the year	383	393
MEMBERS' FUNDS AT 31 MARCH 2017	7,660	7,277

.....
The accompanying notes form part of, and should be read in conjunction with, these financial statements

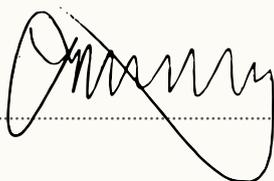
Consolidated Statement of Financial Position

AS AT 31 MARCH 2017

	Notes	Group 2017 \$000	Group 2016 \$000
ASSETS			
Cash and cash equivalents	5	13,418	15,167
Managed fund		3,314	1,043
Accounts receivable		1,417	1,097
Prepayments		144	112
Plant and equipment	6	571	685
Intangible assets	7	311	11
TOTAL ASSETS		19,175	18,115
LIABILITIES			
Accounts payable		1,260	1,143
Employee entitlements		314	218
Income in advance		9,071	8,746
Goods and services tax		870	731
TOTAL LIABILITIES		11,515	10,838
NET ASSETS		7,660	7,277
MEMBERS' FUNDS			
College accumulated funds		5,789	5,621
Faculties' & Chapters' funds	8	1,871	1,656
TOTAL MEMBERS' FUNDS		7,660	7,277

These financial statements were approved for issue by the Board on 21 June 2017.

DR TIM MALLOY
PRESIDENT



MS ANITA MAZZOLENI
CHAIR - AUDIT AND RISK COMMITTEE



.....
The accompanying notes form part of, and should be read in conjunction with, these financial statements

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2017

	Group 2017 \$000	Group 2016 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Contract revenue	19,904	22,452
Finance revenue	577	424
Other revenue	5,319	4,002
Membership subscriptions	4,108	4,072
Payment to suppliers and employees	(28,978)	(29,610)
Net cash flows from operating activities	930	1,340
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(71)	(719)
Purchase of intangible assets	(337)	-
Net cash flows from investing activities	(408)	(719)
Net increase in cash and cash equivalents	522	621
Cash and cash equivalents at beginning of year	16,210	15,589
Cash and cash equivalents at end of year	16,732	16,210
Cash and cash equivalents at 31 March consists of:		
Cash and cash equivalents	13,418	15,167
Managed fund	3,314	1,043
TOTAL	16,732	16,210

.....
The accompanying notes form part of, and should be read in conjunction with, these financial statements

NOTES TO THE GROUP FINANCIAL STATEMENTS

Statement of Accounting Policies

REPORTING ENTITIES

The financial statements presented are those of The Royal New Zealand College of General Practitioners (the College) and its subsidiary The Royal New Zealand College of General Practitioners Research and Education Charitable Trust (the Trust), collectively referred to as the Group.

All Group entities are incorporated as Charitable Trusts registered under the Charitable Trusts Act 1957 and are Registered Charities under the Charities Act 2005.

The overall goal of the College and Group is to improve the health of all New Zealanders through high quality general practice care.

BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with *Public Benefit Entity International Public Sector Accounting Standards* (PBE IPSAS) and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions, have been adopted. The Group is deemed a public benefit entity for financial reporting purposes and has been established to achieve its overall goal rather than a financial return.

The Group qualifies as a Tier 2 reporting entity due to having between \$2m and \$30m operating expenditure in the two most recent reporting periods.

These financial statements have been prepared on a historical cost basis, with the exception of financial instruments which are measured at fair value. All dollar values are presented in New Zealand dollars rounded to the nearest thousand.

The financial statements were authorised for issue by the Board on 21 June 2017.

Specific Accounting Policies

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

A. // BASIS OF CONSOLIDATION

Consistent accounting policies are employed in the preparation and presentation of the Group financial statements. In preparing the Group financial statements, all inter-entity balances and transactions are eliminated on consolidation.

Subsidiaries

Subsidiaries are entities over which the College has the power to govern the financial and operating policies of another entity so as to benefit from that entity's activities. Group financial statements are prepared by combining the financial statements on a line-by-line basis.

Joint venture

The College has a 50% holding in Patients First Limited which is a joint venture with General Practice New Zealand Incorporated.

The Patients First Limited joint venture is not accounted for in the Group's consolidated financial statements because the Patients First Limited constitution specifically prohibits any dividends or other monetary distributions to be made to its shareholders and therefore the value of the investment in the joint venture is not distributable to the College.

B. // FINANCE INCOME

Finance income comprises interest income on financial assets, foreign exchange gains and losses and fair value gains on financial assets at fair value through surplus or deficit. Interest income is recognised as it accrues in surplus or deficit, using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether the foreign currency movements are in a net gain or net loss position.

C. // FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised on the College's Statement of Financial Position when the College becomes a party to the contractual provisions of the instrument. The College shall offset financial assets and financial liabilities if the College has a legally enforceable right to set off recognised amounts and interest and intend to settle on a net basis. Financial assets are classed as either cash, loans and receivables or Held to Maturity.

D. // MANAGED FUNDS

Managed funds are recognised at fair value on the College's Statement of Financial Position, with any gains/losses recognised through the Statement of Comprehensive Revenue & Expenses.

E. // LOANS AND RECEIVABLES

Trade receivables, loans and other receivables that have fixed or determinable payments and that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment. Interest income is recognised by applying the effective interest rate. Bad debts are written off in the period in which they are identified.

F. // CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and short term deposits with an original maturity of less than one year that are readily converted to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash at bank, short term deposits and managed funds.

G. // TERM DEPOSITS

For the purposes of the Statement of Cash Flows, funds invested longer than one year are classed as term investments and are held to maturity.

H. // PLANT AND EQUIPMENT

All items of plant and equipment are shown at cost less accumulated depreciation to date, with the exception of the President's chain of office, which has been incorporated at an independent valuation dated November 1991 and the College gowns which are recorded at cost. Cost includes the value of consideration exchanged, or fair value in the case of donated or subsidised assets, and the costs directly attributable to bringing the item to working condition for its intended use.

Subsequent expenditure relating to an item of plant and equipment is capitalised to the initial costs of the item when the expenditure increases the economic life of the item or where expenditure was necessarily incurred to enable future economic benefits to be obtained. All other subsequent expenditure is expensed in the period in which it is incurred.

I. // DEPRECIATION

The annual rates of depreciation applicable are based on the estimated useful lives as follows:

- Office Equipment 4 - 10 years
- Furniture & Fittings 5 - 10 years
- Computer Equipment 2 - 4 years

J. // INTANGIBLE ASSETS

Licenses and software are finite life intangibles and are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight line basis over their estimated useful lives of 4-5 years. The estimated useful lives are reviewed at the end of each reporting period.

K. // SUBSCRIPTIONS RECEIVABLE

Subscriptions receivable are recognised at amortised cost using the effective interest method less any impairment. Bad debts are written off in the period in which they are identified.

L. // TAXATION

All Group entities are registered Charities and are therefore exempt from income taxation.

M. // GOODS AND SERVICES TAX (GST)

These financial statements have been prepared on a GST exclusive basis except accounts receivable, accounts payable and accrued expenses where applicable include GST.

N. // LEASES

There are no assets acquired via finance leases. The College leases buildings. Operating lease payments, where the lessors effectively retain all the risks and benefits of ownership of the leased items, are included in the Statement of Comprehensive Revenue & Expenses in equal instalments over the lease term.

O. // ACCOUNTS PAYABLE

Trade and other payables represent the liabilities for goods and services provided to the College prior to the end of the financial year that are unpaid. These amounts are usually settled within 30 days, are non-interest bearing and are initially recognised at their fair value and subsequently at amortised cost.

P. // EMPLOYEE ENTITLEMENTS

All employee benefits of the College that are expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, plus annual leave earned and accrued to, but not taken at balance date.

Q. // REVENUE RECOGNITION

Revenue is recognised on the following basis:

i. MEMBERS' SUBSCRIPTIONS

Income received from members' subscriptions is allocated proportionally over the period to which they relate. Amounts owed that are due to the College and Group for past years' memberships are shown under current assets net of allowance for impairment.

ii. CONTRACT AND OTHER REVENUE

Contract revenue is recognised by reference to the stage of completion of service by the College and Group. Amounts received in advance of the service being provided are deferred and recognised as Income in Advance.

iii. FEE REVENUE

CORNERSTONE[®] programme fees are recognised in proportion to programme costs being incurred over the life of the programme. As such, revenue is recognised when a practice's annual self-assessment is reviewed and also upon the completion of the final assessment.

Fellowship fee revenue is recognised to costs being incurred. As such, revenue is recognised when a Fellowship visit is arranged and also upon the completion of the assessment.

Foundation Standard fees are recognised over the life of the programme in proportion to programme costs being incurred.

Examination fee revenue is recognised upon completion of the examinations.

GPEP2/3 training fee revenue is recognised on a straight line basis over the training period.

iv. INTEREST INCOME

Interest income is recognised in the period in which the interest is earned.

v. DIVIDENDS

Income from dividend is recognised when the Groups right to receive payment is established, and the amount can be reliably measured.

Revenue is considered to be exchange revenue in accordance with PBE IPSAS 9 – *Revenue from Exchange Transactions*. There is no non-exchange revenue.

R. // CASH FLOWS

The Statement of Cash Flows is prepared exclusive of GST, which is consistent with the method used in the Statement of Comprehensive Revenue & Expenses. The following are the definitions of the terms used in the cash flow statement:

i. OPERATING ACTIVITIES

Operating activities include all transactions and other events that are not investing or financing activities.

ii. INVESTING ACTIVITIES

Investing activities are those activities relating to the acquisition and disposal of current and non-current investments and any other non-current assets.

iii. CASH AND CASH EQUIVALENTS

Cash includes coins and notes both local and foreign currency, demand deposits and other highly liquid investments readily convertible into cash and includes all call investments as used by the College and the Group as part of their day-to-day cash management.

1. Finance Revenue

	Group 2017	Group 2016
	\$000	\$000
Interest	293	460
Gain on managed fund	284	43
TOTAL FINANCE REVENUE	577	503

2. Faculties' and Chapters' Revenue and Expenses

	Group 2017	Group 2016
	\$000	\$000
Membership levies	354	346
Interest income	26	53
Sundry income	57	18
TOTAL FACULTIES' AND CHAPTERS' REVENUE	437	417

Faculties' and Chapters' revenue and expenses are analysed as below:

	Revenue 2017	Expenses 2017	Surplus/ (Deficit) 2017	Revenue 2016	Expenses 2016	Surplus/ (Deficit) 2016
	\$000	\$000	\$000	\$000	\$000	\$000
Auckland Faculty	104	64	40	112	135	(23)
Northland Faculty	31	24	7	22	21	1
Waikato Faculty	50	33	17	52	25	27
Tairāwhiti Faculty	-	-	-	-	-	-
Wellington Faculty	35	13	22	41	19	22
Hawkes Bay Faculty	13	7	6	13	10	3
Nelson Faculty	13	12	1	13	13	-
Taranaki Faculty	9	-	9	9	-	9
Whanganui Faculty	6	-	6	5	-	5
Manawatu Faculty	10	-	10	10	-	10
Canterbury Faculty	41	39	2	43	29	13
Otago Faculty	20	24	(4)	23	10	13
Southland Faculty	7	11	(4)	10	1	9
Pacific Chapter	10	1	9	10	1	9
Te Akoranga a Māui	36	26	10	37	33	4
Rural General Practitioners' Chapter	50	8	42	16	13	5
Rural Hospital Generalists' Chapter	61	28	33	60	54	6
The Registrars' Chapter	11	2	9	11	3	8
TOTAL INCLUDING COLLEGE CONTRIBUTION	507	292	215	487	367	121
Less College Contribution	(70)	-	(70)	(70)	-	(70)
NET REVENUE AND EXPENSES	437	292	145	417	367	51

Please note: the above table uses rounding so may differ slightly from the total.

3. Other Revenue

	Group 2017	Group 2016
	\$000	\$000
Rental income	15	17
Event and other income	517	463
TOTAL OTHER REVENUE	532	480

4. Other Operating Expenses

	Notes	Group 2017	Group 2016
		\$000	\$000
Depreciation plant and equipment	6	184	131
Amortisation of intangibles	7	33	9
Directors' fees		245	249
Audit fees		33	34
Accounting, taxation and legal fees		120	378
Conferences and seminars		593	468
Information delivery		263	327
Accounting fees (paid to auditor for non-audit tax advice)		-	(3)
Loss on asset disposal		1	-
Grants		51	12
Other committee fees		70	66
Sundry operating expenses		732	849
TOTAL OTHER OPERATING EXPENSES		2,325	2,520

5. Cash and Cash Equivalents

	Group 2017	Group 2016
	\$000	\$000
Cash at bank and in hand	3,343	1,694
Short-term deposits	10,075	13,473
TOTAL CASH AND CASH EQUIVALENTS	13,418	15,167

The carrying value of cash and cash equivalents approximate their fair value.

Cash and cash equivalents includes Income in advance of \$9,071,000 (2016: \$8,746,000) which arises due to the in-advance nature of the funding for the College's training and employment contracts.

6. Plant and Equipment

MOVEMENTS FOR PLANT AND EQUIPMENT ARE AS FOLLOWS:

	Office equipment	Furniture and fittings	Computer equipment	TOTAL
Cost or Valuation	\$000	\$000	\$000	\$000
Balance at 1 April 2016	30	514	349	893
Additions	8	26	37	71
Disposals	-	-	(3)	(3)
BALANCE AT 31 MARCH 2017	38	540	383	961

	Office equipment	Furniture and fittings	Computer equipment	TOTAL
Accumulated depreciation	\$000	\$000	\$000	\$000
Balance at 1 April 2016	16	46	146	208
Depreciation expense	4	90	90	184
Disposals	-	-	(2)	(2)
BALANCE AT 31 MARCH 2017	20	136	234	390

There are no restrictions on title of Plant and Equipment, nor are there any contractual commitments for the acquisition for such assets.

7. Intangible Assets

MOVEMENTS FOR INTANGIBLE ASSETS ARE AS FOLLOWS:

	Computer Software
Cost or Valuation	\$000
Balance at 1 April 2016	1,387
Additions	337
Disposals	(348)
BALANCE AT 31 MARCH 2017	1,376

	Computer Software
Accumulated amortisation	\$000
Balance at 1 April 2016	1,380
Amortisation expense	33
Disposals	(348)
BALANCE AT 31 MARCH 2017	1,065

There are no restrictions on title of Intangible Assets, nor are there any contractual commitments for the acquisition for such assets.

8. Faculties' and Chapters' Accumulated Funds

	2017	Surplus/ (Deficit) 2017	2016
	\$000	\$000	\$000
Auckland Faculty	490	40	450
Northland Faculty	82	7	75
Waikato Faculty	218	17	201
Tairāwhiti Faculty	4	-	4
Wellington Faculty	221	22	199
Hawkes Bay Faculty	70	6	64
Nelson Faculty	25	1	24
Taranaki Faculty	64	9	55
Whanganui Faculty	35	6	29
Manawatu Faculty	77	10	67
Canterbury Faculty	121	2	119
Otago Faculty	143	(4)	147
Southland Faculty	48	(4)	52
Pacific Chapter	18	9	9
Te Akoranga a Māui	62	10	52
Rural General Practitioners' Chapter	70	42	28
Rural Hospital Generalists' Chapter	82	33	49
The Registrars' Chapter	41	9	32
	1,871	215	1,656

9. Operating Lease Commitments

Non-cancellable operating lease rentals are payable as follows:

	2017	2016
	\$000	\$000
No later than one year	481	481
More than one year less than 5 years	1,923	1,923
More than 5 years	1,202	1,682

The College leases premises under operating leases. The premises leases are for up to nine years. No leases contain contingent rental payments. The College has a right to renewal in September 2024.

10. Financial Instruments

The College holds a number of financial instruments in the course of its normal activities. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in the accounting policies.

FAIR VALUE

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, determined in accordance with the College's accounting policies.

LIQUIDITY RISK

The Group manages its liquidity risk by managing cash flows and ensuring that adequate liquid funds are available at all times.

CREDIT RISK

Financial instruments which potentially subject the College to credit risk consist of bank balances, managed funds and short term bank deposits and accounts receivable. The College does not require collateral or security to support financial instruments. The College's bank and short-term deposit accounts are with ANZ, BNZ and Westpac. Accounts receivable predominately comprise invoiced fees for services provided to members and are considered fully recoverable.

INTEREST RATE RISK

Financial instruments which potentially subject the College to interest rate risk consist of bank balances and short term bank deposits. Interest rate risk is limited by investing funds in term deposits for period where these funds are not required for liquidity purposes.

The tables below shows the carrying amount of the Group's financial assets and financial liabilities.

	Carrying Amount (\$000)						
	Financial assets				Financial liabilities		Total as at 31 March 2016
	Fair Value	Held to maturity	Loans and receivables	Available for sale	Fair value	Amortised cost	
Substantially measured at fair value							
Securities:							
Cash	-	-	-	-	-	-	-
Debt - New Zealand	164	-	-	-	-	-	164
Debt - Overseas	154	-	-	-	-	-	154
Property - New Zealand	61	-	-	-	-	-	61
Equity - New Zealand	64	-	-	-	-	-	64
Equity - Overseas	563	-	-	-	-	-	563
Substantially not measured at fair value							
Cash and cash equivalents (assets)	37	-	15,167	-	-	-	15,204
Receivables	-	-	1,097	-	-	-	1,097
Payables	-	-	-	-	-	(1,143)	(1,143)
	1,043	-	16,264	-	-	(1,143)	16,164

	Carrying Amount (\$000)						
	Financial assets				Financial liabilities		Total as at 31 March 2017
	Fair Value	Held to maturity	Loans and receivables	Available for sale	Fair value	Amortised cost	
Substantially measured at fair value							
Securities:							
Cash	-	-	-	-	-	-	-
Debt - New Zealand	518	-	-	-	-	-	518
Debt - Overseas	472	-	-	-	-	-	472
Property - New Zealand	174	-	-	-	-	-	174
Equity - New Zealand	784	-	-	-	-	-	784
Equity - Overseas	1,248	-	-	-	-	-	1,248
Substantially not measured at fair value							
Cash and cash equivalents (assets)	118	-	13,418	-	-	-	13,536
Receivables	-	-	1,417	-	-	-	1,417
Payables	-	-	-	-	-	(1,260)	(1,260)
	3,314	-	14,835	-	-	(1,260)	16,889

11. Segment Reporting

The Group operates in one segment, Primary Care Education and Advocacy in New Zealand.

12. Related Party Transactions

The College has a related party relationship with the Trust, its Members of the Board and Executive Management.

i. RELATED PARTY TRANSACTIONS

	2017 \$000	2016 \$000
Members' levies paid to the Trust	45	42
Amount owing at year end to the Trust	-	-

ii. KEY MANAGEMENT REMUNERATION

The Group classifies its key management as:

- Members of the Board
- Executive management team, including the Chief Executive

Members of the Board are paid Board fees and, where applicable, representation fees. The Executive management team is employed as employees of the Group on standard employment terms.

The aggregate level of Board fees, representation fees and remuneration paid and number of individuals of executive personnel is presented below:

	Board Fees 2017 \$000	Representation Fees 2017 \$000	Board Fees 2016 \$000	Representation Fees 2016 \$000
Dr Tim Malloy	50	45	50	45
Dr Mark Peterson	26*	5	29*	-
Dr Apisalome Talemaitoga	25	2	25	-
Dr Sue Crengle	25	2	25	-
Dr Lauren McGifford	25	-	17	-
Dr Jo Scott-Jones	17	-	-	-
Ms Anita Mazzoleni	15	-	-	-
Mr David Moore	9	-	25	-
Dr Rochelle Phipps	8	-	25	-
Dr John Wellingham	-	-	8	-
	200	54	204	45

* Dr Mark Peterson was acting President from 27 January 2016 to 20 April 2016 and 21 September 2016 to 10 October 2016 hence his Board fees are higher.

The College also has contracts with many of its members including Members of the Board for provision of services. These are conducted on standard commercial arms' length terms.

	Remuneration 2017 \$000	Number of Individuals 2017	Remuneration 2016 \$000	Number of Individuals 2016
Executive management	1,038	6	1,122	6

13. Reconciliation of the Surplus for the period with Net Cash Flows from Operating Activities

	Group 2017 \$000	Group 2016 \$000
Net surplus for the year	383	393
Add non-cash items:		
Amortisation	33	9
Depreciation	184	131
Loss on disposal	1	-
Movements in working capital		
Accounts receivable	(320)	(413)
Prepayments	(32)	(49)
Accounts payable	121	32
Employee entitlements	96	(440)
GST payable	139	(71)
Income in advance	325	1,748
Net cash inflow from operating activities	930	1,340

14. Investment in Joint Venture

The College has a 50% holding in Patients First Limited which is a joint venture with General Practice New Zealand Incorporated.

	Number of shares	Percentage Held		Balance Date
		2017	2016	
Patients First Limited	2,000	50%	50%	30 June

The Patients First Limited joint venture is not accounted for in the Group's consolidated financial Statements because the Patients First Limited constitution specifically prohibits any dividends or other monetary distributions to be made to its shareholders and therefore the value of the investment in the joint venture is not distributable to the College.

As at 31 March 2017, Patients First Limited had no contingent assets or liabilities.

15. Contingencies

The Group has no contingent liabilities as at 31 March 2017 (2016: nil).

16. Subsequent Events

There were no material subsequent events after the balance date.

THE ROYAL NEW ZEALAND COLLEGE OF GENERAL PRACTITIONERS
RESEARCH AND EDUCATION CHARITABLE TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

Audit Report



Independent Auditor's Report

To the Trustees of The Royal New Zealand College of General Practitioners Research and Education Charitable Trust

Opinion

We have audited the financial statements of The Royal New Zealand College of General Practitioners Research and Education Charitable Trust (the 'Trust'), which comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive revenue and expenses, statement of changes in net assets/equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements, on pages 41 to 47, present fairly, in all material respects, the financial position of the Trust as at 31 March 2017, and its financial performance and cash flows for the year then ended in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and 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 Financial Statements* section of our report.

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

We are independent of the Trust 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 the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other information

The Trustees are responsible on behalf of the Trust for the other information. The other information comprises the information in the Annual Report that accompanies the financial statements and the audit report.

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

Our responsibility is to read the other information and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Trustee's responsibilities for the financial statements

The Trustees are responsible on behalf of the Trust for the preparation and fair presentation of the financial statements in accordance with Public Benefit Entity Standards Reduced Disclosure Regime, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust'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 Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Deloitte.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 and 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 economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8>

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Trustees, as a body, in accordance with Section 8(b) of the Trust Deed. Our audit has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Limited

Wellington, New Zealand
21 June 2017

Statement of Comprehensive Revenue & Expenses

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 \$	2016 \$
REVENUE			
Levy revenue	4	45,061	42,070
Interest received		2,540	5,431
TOTAL REVENUE		47,601	47,501
EXPENSES			
Audit fees	1	500	500
Other expenses		850	39
Summer Students			
H Wallace		5,000	-
Specific Grants			
F Doolan-Noble		3,000	-
B Gray		5,000	-
L Gray		5,000	-
R Keenan		5,000	-
L Lack		2,500	-
L Rolfe		5,000	-
J Rowe		1,619	-
J Scott-Jones		5,115	-
K Thorne		1,500	-
University of Otago		5,000	-
H Wallace		5,000	-
J Young		2,615	-
K Kenrick		-	5,000
S Leitch		-	4,369
L O'Hagan		-	5,000
Grants approved but not claimed		-	(2,400)
TOTAL EXPENSES		52,699	12,508
NET COMPREHENSIVE REVENUE & EXPENSES		(5,098)	34,993

.....
The accompanying notes form part of, and should be read in conjunction with, these financial statements

Statement of Financial Position

AS AT 31 MARCH 2017

	Notes	2017 \$	2016 \$
CURRENT ASSETS			
Cash and cash equivalents	2	318,339	326,781
Accrued income		197	230
Accounts receivable		-	-
TOTAL CURRENT ASSETS		318,536	327,011
LIABILITIES			
Accounts payable		-	44
Audit fee payable	1	500	500
Goods and services tax		2,973	6,306
TOTAL CURRENT LIABILITIES		3,473	6,850
NET ASSETS		315,063	320,161
ACCUMULATED FUNDS		315,063	320,161

Statement of Changes in Net Assets/Equity

FOR THE YEAR ENDED 31 MARCH 2017

	2017 \$	2016 \$
Opening balance at 1 April	320,161	285,168
Net comprehensive revenue and expenses for the year	(5,098)	34,993
ACCUMULATED FUNDS AT 31 MARCH 2017	315,063	320,161

These financial statements were approved by the Board of Trustees on 21 June 2017.

DR JOSEPH SCOTT-JONES
TRUSTEE



DR TANE TAYLOR
TRUSTEE



.....
The accompanying notes form part of, and should be read in conjunction with, these financial statements

Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Levy revenue	45,061	42,070
Receivables	-	3,091
Interest received	2,573	6,139
Payments to suppliers	(1,394)	(995)
Grants	(51,349)	(14,414)
GST refund	(3,333)	3,265
NET CASH FLOWS FROM OPERATING ACTIVITIES	(8,442)	39,156
NET INCREASE IN CASH AND CASH EQUIVALENTS	(8,442)	39,156
Cash and cash equivalents at beginning of year	326,781	287,625
CASH AND CASH EQUIVALENTS AT END OF YEAR	318,339	326,781

.....
The accompanying notes form part of, and should be read in conjunction with, these financial statements

NOTES TO THE TRUST FINANCIAL STATEMENTS

Statement of Accounting Policies

REPORTING ENTITY

The Royal New Zealand College of General Practitioners Research and Education Trust (the Trust) is a Charitable Trust registered under the Charitable Trusts Act 1957 and is a registered Charity under the Charities Act 2005. The primary activity of the Trust is to encourage, foster and maintain the highest possible standards of learning skill and conduct in general medical practice in the interests of the best possible patient care in New Zealand.

The financial statements are for the year ended 31 March 2017 and were authorised for issue by the Trustees on 21 June 2017.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with *Public Benefit Entity International Public Sector Accounting Standards* (PBE IPSAS) and other applicable Financial Reporting Standards, as appropriate for Tier 2 not-for-profit public benefit entities, for which all reduced disclosure regime exemptions, have been adopted. The Trust is deemed a public benefit entity for financial reporting purposes as this has been established to achieve its overall goal rather than a financial return.

For consistency of financial reporting with the Group, the Trust adopts the Tier 2 reporting entity standards.

Significant Accounting Policies

The significant accounting policies used in the preparation of these financial statements are summarised below:

A. // CASH AND CASH EQUIVALENTS

Cash and Cash equivalents in the Statement of Financial Position comprise cash at bank and short term deposits with an original maturity of less than one year that are readily converted to known amounts of cash and which are subject to an insignificant risk of changes in value.

B. // FOREIGN CURRENCIES

Transactions in foreign currencies are recorded in New Zealand dollars by applying the exchange rates ruling at the date of the transaction.

C. // ACCOUNTS RECEIVABLE

Accounts receivable are recognised at the original invoice amount less impairment losses.

D. // ACCOUNTS PAYABLE

Trade and other payables represent the liabilities for goods and services provided to the Trust prior to the end of the financial year that are unpaid. These amounts are usually settled within 30 days.

E. // REVENUE RECOGNITION

Revenue is recognised on the following bases:

i. LEVIES

Income received from members of The Royal New Zealand College of General Practitioners is allocated proportionally over the period to which they relate.

ii. INTEREST INCOME

Interest income is recognised in the period in which the interest is earned.

Revenue is considered to be exchange revenue in accordance with PBE IPSAS 9 – *Revenue from Exchange Transactions*. There is no non-exchange revenue.

F. // GOODS AND SERVICES TAX

All amounts are shown exclusive of Goods & Services tax (GST), except for receivables and payables which are shown inclusive of GST.

1. Audit Fees

The fee for the audit of the financial statements is \$1,000 (2016: \$1,000), however \$500 is borne by the College.

2. Cash and Cash Equivalents

	2017	2016
	\$	\$
Cash at bank and in hand	243,631	254,074
Short-term deposits	74,708	72,707
TOTAL CASH AND CASH EQUIVALENTS	318,339	326,781

The carrying value of cash and cash equivalents approximate their fair value.

3. Segment Reporting

The Trust operates in one segment, Primary Care Education and Research in New Zealand.

4. Related Party Transactions

Related party transactions arise when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Trust.

The Trust has a related party relationship with The Royal New Zealand College of General Practitioners (the College) and its Trustees.

Decisions on grant applications from Trustees and College staff are treated identically to all other applications and are subject to the same evaluation criteria. Decisions on grant applications associated with a Trustee are completed with that Trustee removed from the meeting.

Transactions with related parties

	2017	2016
	\$	\$
Levies received from the College	45,061	42,070
Grants paid to Trustees of the Trust		
J Scott-Jones	5,115	-
Grants paid to employees of the College		
L Lack	2,500	-

5. Contingencies

The Trust has no contingent liabilities as at 31 March 2017 (2016: Nil).

6. Subsequent Events

There were no material subsequent events after the balance date.





Makara Shoreline at sunset, Wellington



GP

Heart of the community
Kāinga Tupu