PHO Alliance

He huinga ratonga hauora

Annual **Report**

For the year ending 30 June 2009

The hub for the development, exchange and promotion of policies and strategies which advance the objectives of the Primary Health Care Strategy through its member Primary Health Organisations.

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CHAIRMAN'S REPORT

It is traditional for a Chairman's report to look back at the year just past. However Michelle, our Executive Officer has compiled a comprehensive review of the achievements of the PHO Alliance against the organisational objectives determined by your Executive Committee. With this in mind I thought to look forward and survey some of the challenges ahead of the Alliance, its members, and the primary health sector.

The Ministerial Review Group has reported to the Minister of Health in what can be described as possibly the most comprehensive review of the whole health sector, its performance and its challenges. Much of what the report says echoes comments heard frequently wherever the state of primary health care is discussed. The need to extract more health value from the dollars spent, the need to develop models of service which increase productivity, and the absolute necessity of developing a workforce greater in capability and capacity are all themes which we have addressed. Now that the economic landscape has become so bleak discussion and debate needs to give way to innovation and action.

The future will not be a walk in the park. Funding constraints will make achieving win-win solutions more difficult. Integrating services delivered by different clinicians with different traditions, different funding histories and a variety of philosophical outlooks will challenge all of us. Engaging with communities under stress will require sensitivity and perseverance. But the alternative is to see the health of our communities decline, and the health of the most socially and economically deprived decline most rapidly. All of the dials are set, less money, declining work force, increasing deprivation, increasing chronic and acute disease. How long it will be until the readings start going the other way will depend on how effectively we meet the challenges as a country.

It seems clear to me that new forms of governance and management will be explored by our members as they endeavour to gain the advantages of the larger scale recommended by the MRG, while not losing the close engagement of community also noted as of significant value. Early moves in the Deep South and elsewhere are watched with great interest. The twin drives for economic efficiency and community involvement are well known in local government circles and maybe we can learn from their successes and failures. The implementation of the Super City in the North may have pointers for the health sector.

When first established many PHOs were focussed on general practices as the main point of entry into primary healthcare. Gradually other clinical providers have become involved albeit in a limited extent. Pharmacists are involved with many PHOs in developing and implementing clinical quality processes. Clusters of allied clinicians have gathered around new services such as B4School Check and Primary Mental Health and Chronic Disease Management. In the absence of linked up funding arrangements these collaborations have often been based on nothing more than a willingness to work together to advance the health of local populations. The future clearly lies with building these relationships into integrated community health care services which are "better, sooner, more convenient". While PHOs are now, or can

move towards these configurations, it is by no means a given that this will happen, or even that they will get the chance.

We must build, and in some areas improve our relationship with general practice. It is obvious that no integrated community health care framework will be possible without having general practice at its core. But it is also clear that general practice on its own is not capable of providing integrated community health care. Pharmacy, community nursing, specialist physicians, physiotherapy, midwifery, podiatry, dietetics and a dozen other professional clinical providers will need to be involved. Much of what we have learned as PHO governors and managers in the past four or five years, building on the experience of IPAs and community and Māori development organisations from which we sprang, will be immensely valuable as we build new collaboratives to meet new challenges. We do have a lot to offer.

The PHO Alliance functions most effectively as a forum for the exchange of experience and innovation. By sharing information, by talking about what has worked for us and what has failed, we can help each other design local and regional solutions. There will not be one best response to the challenges of the future but many, varied by local situations and the personnel involved. Linking our separate PHOs across the country, talking to our colleagues in other primary health care organisations, maintaining a dialogue with District Health Boards and the Ministry of Health, introducing new thinking from provocative and informative speakers, we can help each other. Together we will achieve more than we can ever expect to do alone.

For what we have achieved so far I want to record our appreciation of some key people. On your behalf and on my own I want to thank Michelle, our Executive Officer, for the calibre of the administrative support she provides. She combines an amazing competence with a sensitivity and generosity which has made all our lives easier and more productive. The work and support of your elected and co-opted executive members has enabled us to do more with less and we owe them our sincere gratitude. I want to thank those who accepted the invitation to form the PSAAP negotiating team. And I want to acknowledge all our members whose response when asked for advice, information or decisions has been amazing. There cannot be many other national networks which can get an almost 100% member response within 36 hours.

The PHO Alliance is now a fixture on the primary health care scene, but that scene is in for some major changes. I am confident that we can all play a significant role in shaping those changes.

Hamish Kynoch
Chairman

EXECUTIVE OFFICER'S REPORT

From an operational perspective the latter half of the year was characterised by a flurry of papers and reports mainly instigated by the change in Government and the pending decade of financial deficits. Each paper required varying levels of thought and input,

from a short written response through to a process of consultation and synthesising of a common view point, or, in the few instances where this was not possible, a collation of the common themes for and against the issue being debated.

At the time of compiling this Report the Ministerial Review Group has just released its report titled *"Meeting the Challenge.*" The report makes 170 recommendations on how bureaucracy can be reduced, quality can be improved and better value for money attained within the health system. If accepted, these recommendations will have a significant impact for primary health care. In such a sea of uncertainty it is reassuring to note that the strategic objectives of the PHO Alliance, determined three years ago, remain relevant to our business:

- To advocate on behalf of members for the benefit of their enrolled population;
- To promote community health through PHOs;
- To foster effective partnerships between providers and communities;
- To foster and nurture key strategic relationships at a local and national level;
- To encourage collaboration, information and resource sharing within the sector;
- To contribute to the development and implementation of health policy at a national level; and
- To promote organised general practice as a cornerstone of PHOs.

There has been a number of operational highlights during the year; two of which have been leading the PHO Governance Development Programme on behalf of the National PHO Collective and developing our new website. Both have helped enhance our ability to engage positively with professional colleagues and key sector organisations.

It has also been most pleasing to welcome four new members during the year: Hurunui Kaikoura PHO; West Coast PHO; Tu Meke First Choice PHO; and Total Healthcare Otara PHO. Together our 39 members provide primary health care services to just over 2.7 million New Zealanders of whom: 10% are Māori, 6% are Pacific; 8% are Asian; 72% are European; 4.2% are Other or Not Stated. 15% of enrollees are in Quintile 5. This is now a significant constituency which brings with it increased responsibilities and challenges. While the configuration of our membership may change in the future the patient base it represents is likely to remain fairly constant and it is this critical mass which will ultimately allow us to progress the strategic objectives determined at inception.

As always, it has been a real pleasure to catch up with Members each quarter in Wellington and to communicate via phone, text and email in between. To the Executive Committee, I extend my thanks and appreciation for your commitment, wise counsel and generosity of time. My extra special thanks to Hamish for once again leading our organisation so steadfastly and for continually demonstrating the principles of good governance in everything he does.

Michelle Thompson
Executive Officer

PRIORITIES AND DIRECTIONS ACHIEVED 2008-2009

The executive committee determined that the strategic focus for the 2008-2009 financial year would be the development of health policy by way of the following activities:

Priorities	Status	Comments
Enhanced sector representation, including lobbying for adequate funding to allow this to happen.	√	The PHO Alliance is formally represented on the following National Sector Working Groups: • Primary Health Care Advisory Council (PHCAC); • PHO Service Agreement Amendment Protocol Group (PSAAP); • National System Development Programme (NSDP); and via nomination from the National PHO Collective: • PHO Performance Programme Governance Group; • Nursing and Midwifery Primary Health Care Workforce Group. Members also contributed to a range of expert-based workshops throughout the year.
Regular association with key Ministry of Health staff who are responsible for developing health policy, including presentations to General Meetings.	√	Regular communications with, and presentations to members at General Meetings by, senior Ministry staff: • Alan Hesketh (Deputy Director-General Information Directorate) • Chris Mules (Health & Disability System Strategy Directorate) • Danny Wu (National Programme Manager Primary Health Care Implementation) • Stephen McKernan,

		Director General of Health is set to present at the 09 Annual Meeting.
Liaison with the Minister of Health and Associate Ministers where appropriate, including presentations to General Meetings.	√	The Chairman and Executive Officer met with the Health Minister early June 09 and the Minister addressed members at the June General Meeting.
Active participation in the National PHO Collective	√	Quarterly meetings attended by the Chairman and Executive Officer: • May 09 (Gisborne); • March 09 (Auckland); • November 08 (Wellington) • September 08 (Wellington). The PHO Alliance took the lead role in managing the Governance Development Contract on behalf of the Collective.
Development of an interactive website	√	www.phoalliance.org.nz successfully launched.
Continuation of the exchange function via clearing house exercises and the regular dissemination of information to member PHOs.	√	The exchange and promotion function has been greatly enhanced by the development of the website. Three formal clearing house exercises were undertaken during the year: • PHO Performance Programme (is continuation of the programme supported); • Before Schools Check (implementation issues) • Care Plus Transition Fund (feedback on the new proposal).

PROPOSED PRIORITIES AND DIRECTIONS 2009-2010

The strategic focus and high level activities for the next 12 months will be determined by the new executive committee following the 2009 Annual Meeting.

GOVERNANCE DEVELOPMENT CONTRACT

The PHO Governance Development Programme was created in collaboration with District Health Boards NZ (DHBNZ) and the National PHO Collective (NPHOC) in mid-2008 and was designed to build on from the Ministry of Health's *Governance Guide for Primary Health Organisations*. The Programme was delivered in two stages. The first involved a needs assessment exercise which required board members to self evaluate their board's strengths, weaknesses and areas for improvement in four key areas of governance within the context of the Primary Health Care Strategy. The second stage involved undertaking training to address the gaps identified in stage one.

Thirty four PHOs (out of a total of 54) participated in the Programme under the umbrella of the PHO Alliance.

Using the following ranking continuum:

Emerging	=	1	Newly established and/or evolving at basic levels
Effective	=	2	Some developed systems, processes and successes
Mature	=	3	Many effective systems, processes and successes
Advanced	=	4	Well integrated high achieving systems and processes

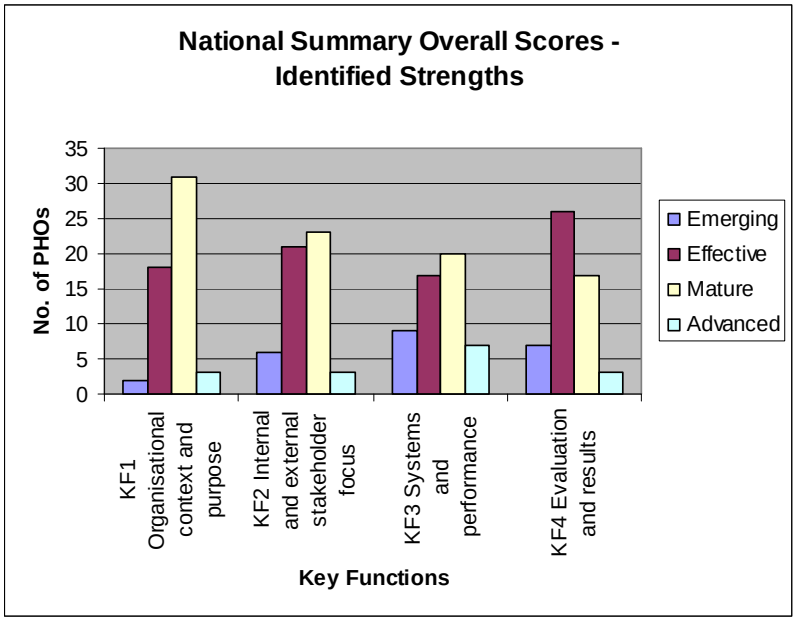
The PHO Alliance PHOs assessed their performance in each of the four key functions as:

Key Function	**Self-Ranking**
Organisational context and purpose	Effective (2.7)
Internal and external stakeholder focus	Effective (2.3)
Systems and performance	Effective (2.6)
Evaluation and results	Effective (2.2)
Total Score across all key functions	**Effective (2.59) heading towards Mature**

The strongest performance levels were believed to be in the area of organisational context and purpose i.e. understanding of, and alignment of activities with, the Primary Health Care Strategy; board culture and composition; role of board members; declaring and managing conflicts of interest and conduct of board meetings. However, having the right combination of skills and experience around the board table and the management of conflicts of interest was noted as still being challenging for some PHOs.

The lowest levels of performance were believed to be in the area of evaluation and results – i.e. performance monitoring and performance management, with processes for reviewing board performance deemed the lowest.

The following graph depicts the results from across the four national PHO groupings participating in the Programme: PHO Alliance; PHO New Zealand; Health Care Aotearoa and the National Māori PHO Coalition.

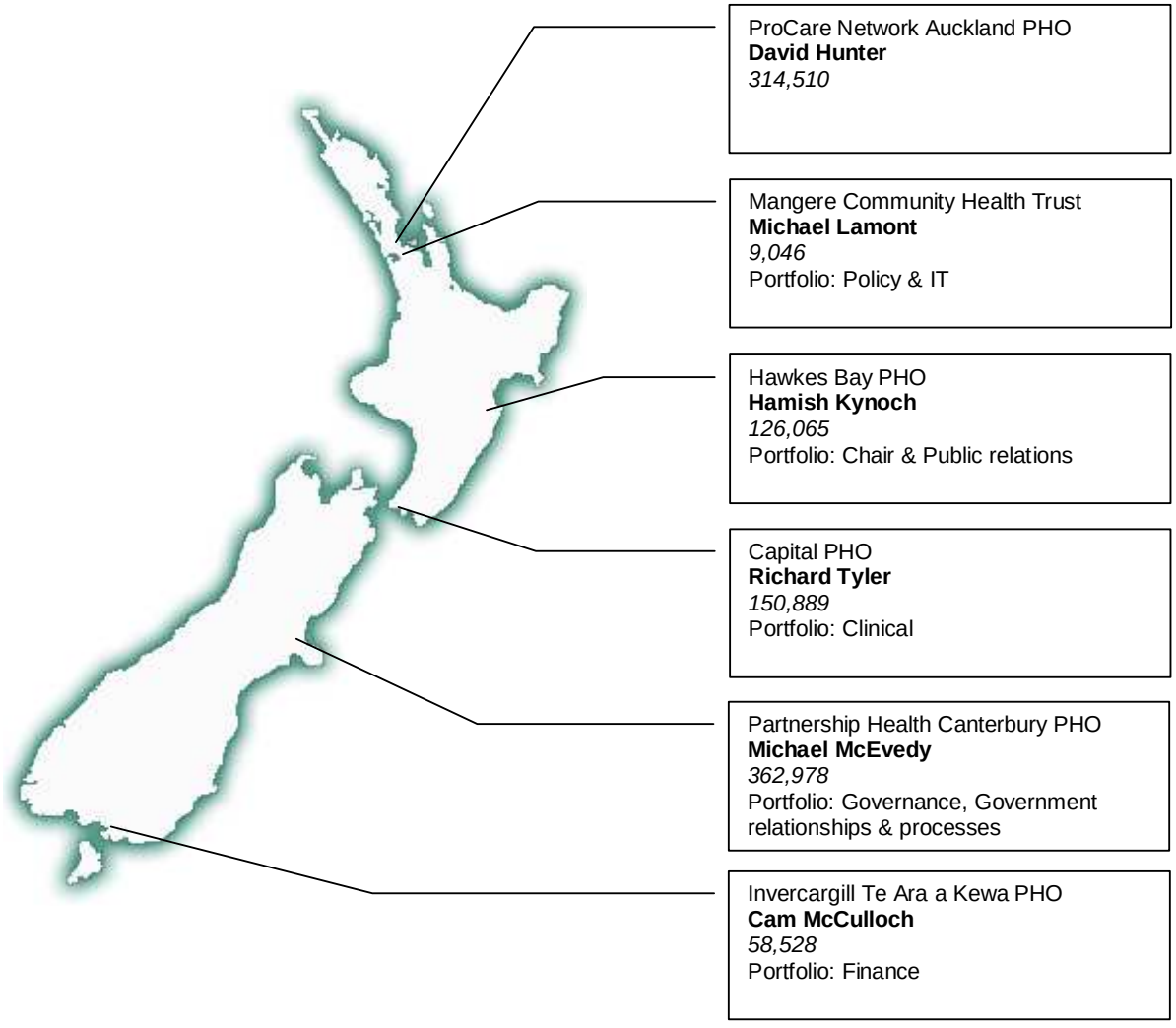


As part of stage two of the Programme the PHO Alliance PHOs received $65,250 towards their approved governance development activities. As a result of the Programme a list of recommended governance development and training options, including a range of providers and resources has been produced for PHO boards across the country.

EXECUTIVE COMMITTEE

Clause 9.1 of the Constitution allows for a core executive committee of four: a chairperson and three other members. The executive committee also has the power to co-opt members from time to time to ensure adequate representation of rural and urban interests, geographic location, and the size of members PHOs, and to enhance its capacity to respond to issues as they arise.

Brief biographies of the 2008-2009 executive committee are included over the page. The map below shows respective geographical locations, enrolled populations and portfolios of responsibility.



Hamish Kynoch – Chairperson (Elected)

- Chairman of Hawke's Bay PHO
- Background in NGO and community governance, and local government
- A farmer with a non-clinical community perspective.

Portfolio of responsibility: Public Relations

Richard Tyler – Executive (Elected)

- Chairman of Capital PHO
- General Practitioner
- Chair of Compass Health Wellington Trust (MSO to PHOs in CCDHB & Wairarapa)
- Director of Compass Health Ltd (MSO to PHOs in Mid-Central DHB)
- Member of Institute of Directors
- Broad knowledge of primary health care sector from provider and management perspective.

Portfolio of responsibility: Clinical

Michael McEvedy – Executive (Elected)

- Chair of Partnership Health Canterbury PHO (NZ's largest PHO)
- Chair of Canterbury Museum Trust Board
- Ex-Mayor of Selwyn District Council
- Advisor management board St John, NRSI
- Member of Canterbury Initiative Governance Group CDHB
- Member Institute of Directors
- Justice of the Peace.

Portfolio of responsibility: Governance & Government relationships and processes

Michael Lamont- Executive (Elected)

- Chair of Mangere Community Health Trust
- Chair of Genesis Trust for NZ Police for young offenders
- Former farmer and forestry owner
- Strong commitment to general practice and communities particularly in resolving the socio-economic determinants of health.

Portfolio of responsibility: Policy and IT

David Hunter – executive (Co-opted)

- Chair of ProCare Network Auckland
- Retired Senior Executive of Carter Holt Harvey Limited.
- Director of ProCare Health Ltd and ProCare Psychology Services Ltd
- Director of Healthcare Medical Ltd (HML)
- Trustee of Dilworth Trust Board and Eden Park Trust Board
- Broad knowledge of governance and commercial aspects of the Primary Health sector.

Cam McCulloch- executive (Co-opted)

- Chair of Invercargill Te Ara a Kewa PHO
- Chair of PHO Management Services Southland Ltd
- Deputy Chair of The Power Company Ltd
- Chairman of Southfish Ltd
- Chairman of Power Net Ltd
- Deputy Chair of Invercargill City Holdings Ltd
- Fellow Institute of Chartered Accountants of NZ
- Member of Institute of Directors
- Background in community governance, finance, marketing and exporting industries.

Portfolio of responsibility: Finance

Mac Leauanae - Advisor

- Pacific Advisor to Executive Committee
- Senior Manager Primary Care, Procare Health Ltd
- LLB, Dip Bus Management, final year MBA (Henley College UK)
- Background in law, training and business development particularly with, and for, Pacific communities.

Responsibility: to assist the Executive to consider Pacific interests prior to policy documentation being circulated to wider membership for feedback.

Māori Advisor – in early 2009 it was decided not to seek a replacement Māori Advisor as the Executive Committee was of the opinion that with at least three Chairs prominent in Iwi affairs this role was no longer necessary.

LIST OF MEMBERS

Member PHOs @ August 2009	Date Joined	Enrolled Pop	Māori	Pacific	Asian	European	Other	Not Stated	Quintile 5 (all ethnicities)	Chair	DHB
Aoraki PHO	13-Oct-06	54,921	2,600	357	679	49,707	400	1,178	4,479	Margaret Shearman & Graeme Nind	South Canterbury
Capital PHO	8-Aug-06	150,889	9,195	5,475	16,003	109,749	8,852	1,615	9,069	Richard Tyler	Capital & Coast
Christchurch PHO	22-Aug-06	28,333	1,667	646	3,204	21,379	1,042	395	4,874	Stephen Brown	Canterbury
East Health Trust PHO	30-Jun-06	79,773	1,859	1,276	15,419	55,747	2,228	3,244	1,743	Brett Hyland	Counties Manukau
Harbour Health PHO	16-Oct-07	154,293	4,342	2,368	17,340	125,452	3,982	809	2,015	Kate Baddock	Waitemata
Hawkes Bay PHO	8-Aug-06	126,065	21,635	2,661	2,365	95,681	2,218	1,505	24,654	Hamish Kynoch	Hawkes Bay
Health Rotorua PHO	25-Jul-06	73,233	28,209	1,777	1,976	39,799	879	593	25,187	Kevin O'Connor	Lakes
Hokonui PHO	30-Aug-06	18,099	1,281	83	71	15,553	172	939	1,388	Chris Boyle	Southland
Horowhenua PHO	30-Jun-08	25,867	5,462	796	557	18,773	141	138	9,142	Gina Lomax	MidCentral
Hurunui Kaikoura PHO	18-Sep-08	13,431	1140	71	92	11,608	509	11	281	Richard Davison	Canterbury
Invercargill - Te Ara a Kewa PHO	30-Aug-06	58,528	6,639	1,097	630	47,632	1,054	1,476	9,516	Cam McCulloch	Southland
Kapiti PHO	8-Aug-06	36,703	3,089	450	596	30,138	1,926	504	1,846	Gordon Strachan	Capital & Coast
Karori PHO	29-Sep-06	13,270	567	430	1517	9973	715	68	476	Jeff Lowe	Capital & Coast
Kimi Hauora Wairau Marlborough PHO	7-Aug-06	41,031	3,380	555	490	35,213	567	826	1,370	Rennie Dix	Nelson Marlborough
Manawatu PHO	29-Sep-06	101,705	12,975	2,241	4,305	78,878	2,848	458	14,960	Colin McJannett	MidCentral
Mangere Community Health Trust	11-Jul-06	9,046	782	5,126	1,985	1,071	63	19	5,026	Michael Lamont	Counties Manukau

Member PHOs	Date Joined	Enrolled Pop @ Apr-09	Māori	Pacific	Asian	European	Other	Not Stated	Quintile 5 (all ethnicities)	Chair	DHB
Mornington PHO	26-Jul-06	16,473	1,168	361	500	14,073	193	178	2,164	Lindsay Brown	Otago
Nelson Bays PHO	29-Sep-06	91,270	6,013	798	1,569	79,888	1,437	1,565	7,642	Jan Morgan	Nelson Marlborough
Otago Southern Region PHO	10-Nov-06	17,559	1375	106	114	15,018	828	118	772	Walter Dalziel	Otago
Otaki PHO	7-Aug-06	6,635	1,986	152	215	4,216	63	3	1,519	John Sprunt	MidCentral
Partnership Health Canterbury PHO	15-Aug-06	362,978	21,755	8,050	19,407	286,620	8,022	19,124	41,963	Michael McEvedy	Canterbury
ProCare Network Auckland PHO	1-Sep-06	314,510	13,699	29,021	56,401	200,200	8,733	6,456	32,194	David Hunter	Auckland
Procare Network Manukau PHO	16-Jul-07	243,481	41,164	41,793	40,075	116,726	3,177	546	77,371	Harley Aish	Counties Manukau
Ropata Community PHO	19-Jul-06	19,066	1,123	506	1,599	15,539	233	66	2,245	Max Shierlaw	Hutt Valley
Rural Canterbury PHO	10-Aug-06	68,197	3,555	662	659	59,540	2,043	1,738	2,070	Allan Marriott	Canterbury
Rural Otago PHO	8-Aug-06	42,684	1,747	427	535	38,440	1,023	512	1,582	Stuart Heal	Otago
Taieri and Strath Taieri PHO	6-Sep-06	13,990	662	100	150	12833	74	171	620	John Kelly	Otago
Takitimu PHO	30-Aug-06	14,590	1188	46	240	12,818	256	42	663	Colin Ballantyne	Southland
Tararua PHO	30-Jun-08	15,704	3,342	91	171	11,753	124	223	3,115	Stephen Paewai	MidCentral
Total Healthcare Otara	25-Jun-09	83,336	12,525	45,367	15,306	6,821	3,293	24	45,121	William Ropata	Counties Manukau
Tu Meke First Choice PHO	31-Oct-08	14,247	6,832	1,530	229	5,448	191	17	7,487	John Newland	Hawkes Bay
Tumai mo te Iwi inc PHO	8-Aug-06	45,646	6,776	5,614	2,387	27,954	2,744	171	9,793	Larry Jordan	Capital & Coast
Valley PHO	20-Sep-06	80,478	10,489	5,667	5,879	55,523	2,676	244	16,556	Hans Snoek	Hutt Valley
Wairarapa Community PHO Trust	30-Jun-08	39,789	5,571	689	417	30,689	2,182	241	5,530	Elaine Brazendale	Wairarapa
Wakatipu PHO	30-Aug-06	15,774	539	76	702	13808	417	232	10	Tony Hill	Southland
Well Dunedin PHO	2-Oct-06	78,252	4,178	1,480	2,471	65,833	3,033	1,257	9,692	Phil Broughton; Hilary Allison (DC)	Otago
Western Bay of Plenty PHO	25-Jul-06	138,125	14,810	1,491	3,878	115,350	2,254	342	17,632	John Gemming & Colleen Te Arihi	Bay of Plenty

Member PHOs	Date Joined	Enrolled Pop @ Apr-09	Māori	Pacific	Asian	European	Other	Not Stated	Quintile 5 (all ethnicities)	Chair	DHB
West Coast PHO	27-Feb-09	30,304	2,536	212	346	26,446	598	166	4,332	John Ayling	West Coast
Whanganui Regional PHO	10-Aug-06	57,595	10,297	772	855	44,495	456	720	16,559	Mike Ward	Whanganui
TOTALS		**2,795,870**	**278,152**	**170,420**	**221,334**	**2,006,384**	**71,646**	**47,934**	**422,658**		

FINANCIAL STATEMENTS

Summary of financial performance 1 July 2008 – 30 June 2009:

The PHO Alliance's income receipts for the twelve months ending 30 June 2009 were $257,669 and total expenditure was $196,506, resulting in a net operating surplus of $61,163. The main expenditure items were management and financial services (51%), contract expenses (26%) and executive fees and expenses (13%).

Total equity as at the end of the third year of operation is $82,683 of which $31,500 is a pre-paid liability for approved governance development activities.

PHO ALLIANCE
INCORPORATED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

DIRECTORY

PHO ALLIANCE Inc
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2009

	2009 $	2008 $
Income		
Membership Fees	155,945	65,285
Contract Income	85,750	0
Other Income	15,974	2,144
Total Income	**257,669**	**67,429**
Expenses		
Bank Charges	241	225
Catering	2,432	1,658
Contract Expenses	50,184	0
Depreciation	194	0
Executive Fees & Expenses	26,097	4,608
Management & Financial Services	100,279	41,200
Meeting Expenses	1,085	0
National Sector Representation	5,279	0
National PHO Collective	2,320	0
Postage	0	120
Telephone	1,888	1,563
Venue Hire	2,200	1,200
WebSite	4,307	400
Total Expenses	**196,506**	**50,974**
Net Surplus/(Deficit)	**61,163**	**16,455**

These accounts are to be read in conjunction with the attached Notes to the Financial Statements

PHO ALLIANCE Inc
STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	2009 $	2008 $
Opening Balance as at 1 July	**21,520**	**5,065**
plus Surplus for the year	61,163	16,455
Total Recognised Revenues and Expenses for the Year	61,163	16,455
Closing Balance as at 30 June	**82,683**	**21,520**

These accounts are to be read in conjunction with the attached Notes to the Financial Statements

PHO ALLIANCE Inc
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2009

	2009	2008
Assets	**$**	**$**
Current Assets		
Bank Accounts	109,780	21,814
Accounts Receivable	14,006	775
GST Receivable	173	476
Total Current Assets	**123,959**	**23,065**
Fixed Assets		
Web Site	**4,666**	0
Total Assets	**128,625**	**23,065**
Liabilities		
Current Liabilities		
Accounts Payable	14,442	1,545
Prepayments for Gov Dev Training	31,500	0
Total Current Liabilities	**45,942**	**1,545**
Net Assets	**82,683**	**21,520**
Equity		
Retained Earnings	82,683	21,520
Total Equity	**82,683**	**21,520**

Signed by:

Chairperson

Executive Officer

Dated: 21 August 2009

These accounts are to be read in conjunction with the attached Notes to the Financial Statements

PHO ALLIANCE Inc
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

STATEMENT OF ACCOUNTING POLICIES

1. Reporting Entity

PHO Alliance Incorporated is a body that represents and promotes the interests of its members. The PHO Alliance does this through advising and consulting with key stakeholders in the sector, representing common positions on issues of substance to key stakeholders, and facilitating the performance of member organisations through information and resource sharing.

The Alliance's members are organisations responsible for the provision of general practice services and other primary health care services to just over 2.7 million New Zealanders.

The financial statements have been prepared in accordance with generally accepted accounting practice as required by the Institute of Chartered Accountants of New Zealand.

2. General Accounting Policies

General accounting policies have been adopted in the preparation of these financial statements.

a) The measurement base adopted is that of historical cost and reliance is placed on the fact that the PHO Alliance is a going concern.

b) The matching of revenue earned and expenses incurred is applied using accrual accounting concepts.

c) The PHO Alliance Inc. is registered as a charitable entity under the Charities Act 2005. It is therefore exempt from Income Tax.

3. Differential reporting

The PHO Alliance qualifies for differential reporting as it is not publicly accountable and it qualifies as being a small entity as per the framework for differential reporting. The PHO Alliance has taken advantage of all available differential reporting exemptions.

4. Goods and Services Tax

The financial statements have been prepared stating all income and expenditure items exclusive of GST.

5. Fixed Assets

The PHO Alliance has developed a web site which is depreciated at 48% DV.

6. Financial Operations

This is the third financial year the PHO Alliance has been operating.

7. Auditors

For the year ending 30 June 2009, the PHO Alliance has not appointed auditors.