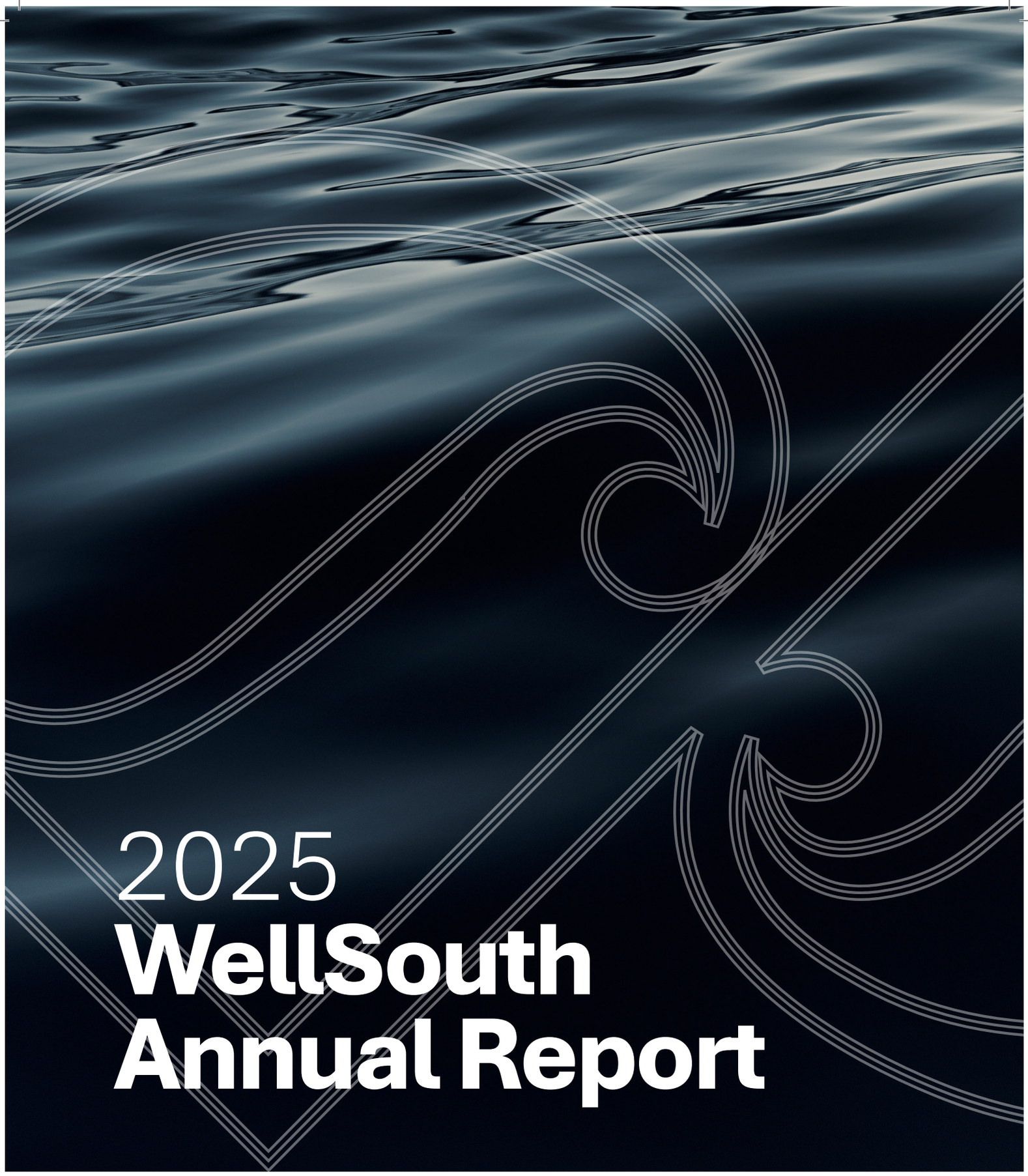


2025 WellSouth Annual Report

WellSouth
Primary Health Network
Hauora Matua Ki Te Tonga

WellSouth Primary Health Network is the Primary Health Organisation (PHO) for Otago and Southland, supporting 79 general practices and a range of community providers to improve the health and wellbeing of Southern communities.

We are a not-for-profit organisation with charitable status, funded primarily through Te Whatu Ora – Health New Zealand, with a core purpose to empower and support providers to deliver sustainable, accessible, equitable, quality care. Our work spans general practice, clinical services, quality improvement, health promotion, and system leadership, with a strong focus on equity for Māori, Pacific, rural, and high-needs populations.

OUR VISION

Best health and wellbeing for Southern communities

OUR CORE PURPOSE

To empower and support providers to deliver sustainable, accessible, equitable quality care to Southern communities

Contents

Chairman's Report

E kā mana, e kā reo, e kā hau e whā, e kā karakataka maha o te takiwā. Tēnā koutou, tēnā koutou, kia ora tātou katoa

As I conclude my time as Chair of the WellSouth Board, and after 15 years of service to this organisation including eight as chair, I can reflect on our achievements. It has been a privilege to work alongside such dedicated and passionate people who believe deeply in the importance of primary care and the wellbeing of our people of Otago and Southland.

In 2020, we celebrated the progress made since the formation of WellSouth as a single primary health network, after nine PHOs came together in 2010. It was a bold step toward strengthening general practice in the Southern region and improving the services available to patients and whānau.

This new, leaner structure was critical amidst unprecedented change such as the mass vaccination effort under Covid-19 pandemic. We had to move quickly and be innovative.

That innovation has stuck! Programmes such as Access and Choice launched in Southern in 2020 provide immediate, patient-centred mental health and wellbeing support, reducing the need for referrals to other services and helping to destigmatise care. Other patient-centred models and programmes including Health Care Homes, our long-term conditions offering and The Comprehensive Primary Care Teams support patients with longer, more wrap-around support that is truly shifting health outcomes. These efforts, alongside our Primary and Community Care Strategy, demonstrate our commitment to providing care that is accessible, effective, and equitable.

Equity remains at the heart of our work, and I am pleased to see

our Māori and Pacific Health Strategies come to life. We have strengthened partnerships with iwi and Māori health providers to improve access and outcomes, including establishing a 50/50 partnerships with Southern runaka/runanga to better support patients in Invercargill.

Meanwhile, WellSouth clinical advice, professional development and support in practice administration from a local base continues to strengthen capacity, build trust and foster relationships across our primary care network.

Reflecting on my eight years as Chair, three challenges have defined this period. The first is the ongoing workforce pressure; the difficulty of recruiting and retaining skilled clinicians, nurses, and support staff continues to test the resilience of practices and communities. The second is the persistent under-investment in primary care, with the cost of providing care rising each year while capitation and other funding streams have not kept pace. The third, and perhaps most personal, is the strain on our people. Our doctors, nurses, health coaches, administrators, and WellSouth staff consistently go above and beyond, often working overtime to ensure patients are cared for. Their commitment is extraordinary, and their compassion is the reason our system continues to function. General practices in Otago and Southland show remarkable strength in delivering routine and urgent care under relentless pressures.

Despite these challenges, looking ahead, primary care will be central to the success of the new Dunedin Hospital. A modern hospital can only achieve its full potential if it is supported by strong, integrated, and well-resourced primary care. WellSouth will continue to lead in developing workforce capability, advancing integrated care models, and strengthening relationships across the health system to ensure the best outcomes for our communities. Of that I have no doubt.

As I hand over the role of Chair, I do so with confidence in the future. WellSouth is in strong hands, guided by clear values, a capable Board, and a team deeply committed to its communities. I am particularly proud of the WellSouth team — their skill, passion, and wisdom have guided every step of our progress. Our Chief Executive, Andrew Swanson-Dobbs, deserves special recognition for his tireless leadership and advocacy for primary care, ensuring that our network and communities are consistently supported and heard.

The challenges remain significant, but so too does our collective capacity to overcome them. It has been an honour to serve, and I leave proud of what we have achieved together and hopeful for what lies ahead.

Doug Hill
Board Chair
WellSouth Primary Health Network

Chief Executive's Report

Tēnā koutou katoa

It's my privilege to present the WellSouth Primary Health Network Annual Report for 2025/26. This past year has been one of both progress and pressure — a year that once again affirmed the strength, adaptability, and commitment of general practice and community providers across Otago and Southland.

Strengthening general practice

General practice remains the heart of our health system and the focus of our work. In 2024/25, 93% of WellSouth's total funding (including capitation) was directed to general practice. This investment supported 79 practices to care for over 338,000 enrolled patients, achieving a 98% enrolment rate despite workforce constraints and population growth.

The single greatest challenge remains the lack of investment in our primary and community workforce, particularly for our rural practices. As well as advocating on behalf of the workforce, we work hard to find ways to resolve this challenge, with professional development, practice management support, programme delivery and assessment and multidisciplinary healthcare professionals who can ease the load on GPs.

In the past year, our Nursing Advisory Team trained hundreds of nurses and healthcare assistants across the region, expanded the RN prescribing programme, and launched the Primary Care Practice Assistant pilot.

We introduced programmes supporting rural providers, topping up on underfunded clinical time for example, Extended Primary Care (EPC).

Funded Foundation Standard assessments and expanded clinical pharmacist services are other examples of helping practices maintain quality, meet compliance requirements, and free up clinical time.

We also continue to strengthen the wellbeing workforce. Access and Choice services now cover more than 75% of the Southern population, performing close to the 80% national access target — a reflection of both innovation and commitment, recognised in the recent Best Mental Health Programme award through the NZ Primary Healthcare Awards | He Tohu Mauri Ora.

Capitation

This year's uplift in capitation was hard won. In past years, national negotiations are a fraught exercise, often ending in no consensus. I was proud to be part of a small number of representatives from PHOs along with Pinnacle (Waikato) and ProCare (Auckland) working together, over successive weeks, to find a solution, including a rural sector uplift at 6.43%. For us, in Southern, rural general practice makes up more than half of our network, our community, our people, and is where we see the greatest constraints.

Serving our community

Every action we take must move us closer to equity. This year saw the implementation of our first Māori and Pacific Health Strategic Frameworks, alongside the Disability Action Plan — together laying the foundation for enduring, system-wide change. Māori and Pacific enrolments have grown, screening rates have improved, and equity gaps in cervical screening and diabetes care have narrowed.

More than 45% of our population live in rural or remote areas. Our Rural Services Review identified key priorities for sustainable rural health care — and we've already begun acting on them. EPC is one example: a new model that funds urgent and stabilisation care within rural practices, ensuring patients can be safely treated closer to home.

Integrated care

As planning for the New Dunedin Hospital advances, WellSouth has taken a proactive role to ensure primary care is central to system design with the appointment of a full-time Integration Manager, fully funded by WellSouth.

We need one connected system where care transitions are seamless, data flows freely, and every part of the health system works in partnership, with primary care leading the way.

We continue to work with our partners including Health New Zealand I Te Whatu Ora to this end.

Thank you

To our general practices, rural providers, Kaupapa Māori and Pacific partners, hospital colleagues, staff, and Board — thank you. Your resilience, innovation, and unwavering commitment continue to inspire.

I would also like to take the opportunity to acknowledge and thank Doug Hill for his many years as both board member and most recently chair of our board during my time here. Doug has weathered many storms, with composure and purpose, committed to the values of WellSouth and the community we serve. I, personally, have enjoyed Doug's leadership, mentorship and challenges to improve the system over the years.

Thank you,

Andrew Swanson-Dobbs
Chief Executive
WellSouth Primary Health Network

Executive Summary

The 2024/25 Annual Report outlines how WellSouth has delivered on its core purpose: to empower and support providers to deliver sustainable, accessible, equitable quality care to Southern communities. This year's activity reflects the close alignment between our programmes and the Governments priorities and targets as outlined in the Government Policy Statement on Health 2024 -2027 along with a continued focus on improving equity, strengthening primary care, and supporting practice sustainability.

KEY ACHIEVEMENTS

- In the 2024/25 financial year, **WellSouth channelled 93% of its total funding** (including capitation) **directly into frontline primary care services**. This includes $106 million in direct payments to general practices and providers (including capitation, flexible funding, and subcontractor payments), as well as $9 million in salaries for WellSouth-employed clinical staff in patient-facing roles.
- Over the 2024/25 year WellSouth operated 28 Clinical Programmes. These programmes generated **117,136** claims, channelling an extra **$9,034,833** into practices to support proactive and preventive care for **73,136** patients.
- **Sustained high enrolment coverage** – 98% of the eligible population enrolled in general practice, despite population growth of 4,000 people and static GP/nursing FTE levels.
- **WellSouth practices performed strongly on access within one week,** with **76.3%** of respondents seen within five business days, compared to **68.1%** nationally. This is approaching the Government's target of **80%** for 2025–26.
- **Equity gains in access and prevention** – Māori and Pacific enrolment increased; cervical screening rates rose across all ethnicities, with equity gaps narrowing; targeted immunisation outreach improved Māori childhood coverage.
- **Targeted workforce support** – Fully funded Foundation Standard assessments for practices; expanded clinical pharmacist services; growth in HIPs, Health Coaches, and Kaiāwhina roles embedded in general practice.
- **Innovative care models** – Comprehensive Primary & Community Care Teams (CPCT) expanded to eight clusters, improving long-term condition management and reducing avoidable hospital admissions.
- **System leadership and advocacy** – Secured and improved urgent care services in Dunedin and Invercargill; embedded primary care representation in New Dunedin Hospital planning.

CHALLENGES

- **Workforce constraints** remain the most significant limiting factor for service capacity, affecting appointment availability and target achievement in some areas.
- **Equity gaps** persist in key measures, including childhood immunisation rates for Māori and Pacific children, and avoidable hospitalisation rates.
- **Service demand pressures** from population growth, complexity of patient needs, and health system change require continued adaptation and innovation.

LOOKING AHEAD

WellSouth will continue to invest in services and partnerships that deliver measurable benefits to practices and communities. Priorities for 2025–26 include:

- Scaling equity-driven prevention programmes.
- Expanding workforce support initiatives.
- Strengthening practice-level data tools to support proactive care.
- Leveraging relationships with Te Whatu Ora, Māori and Pacific providers, and community partners to address capacity constraints and system integration.

OUR VALUE TO PRACTICES

For practice owners, WellSouth delivers:

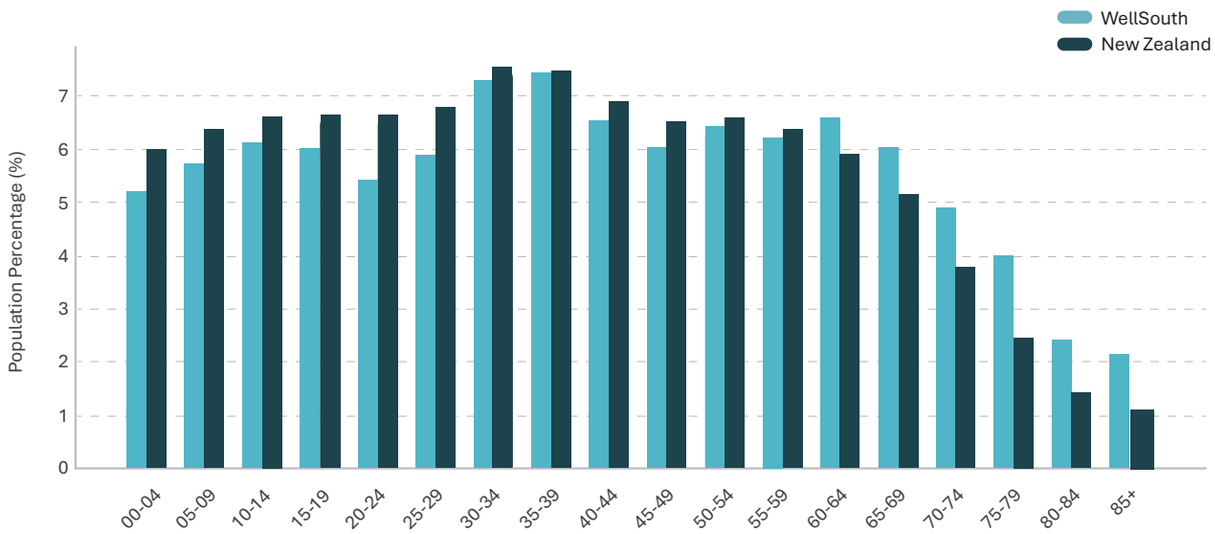
- **Direct investment** – the majority of PHO funding passed through to practices or used to fund embedded roles.
- **Reduced compliance burden** – free accreditation assessments, streamlined reporting, and quality improvement support.
- **Access to specialist roles** – HIPs (Health Improvement Practitioners), Health Coaches, pharmacists, dietitians and mental health professionals working within practices.
- **Advocacy** – a strong, local voice ensuring Southern practices are heard in regional and national health decisions.

This report reflects a year of progress, partnership, and performance under challenging conditions, demonstrating the value WellSouth adds to both the Southern health system and the sustainability of local general practice.

WellSouth's Demographic Profile

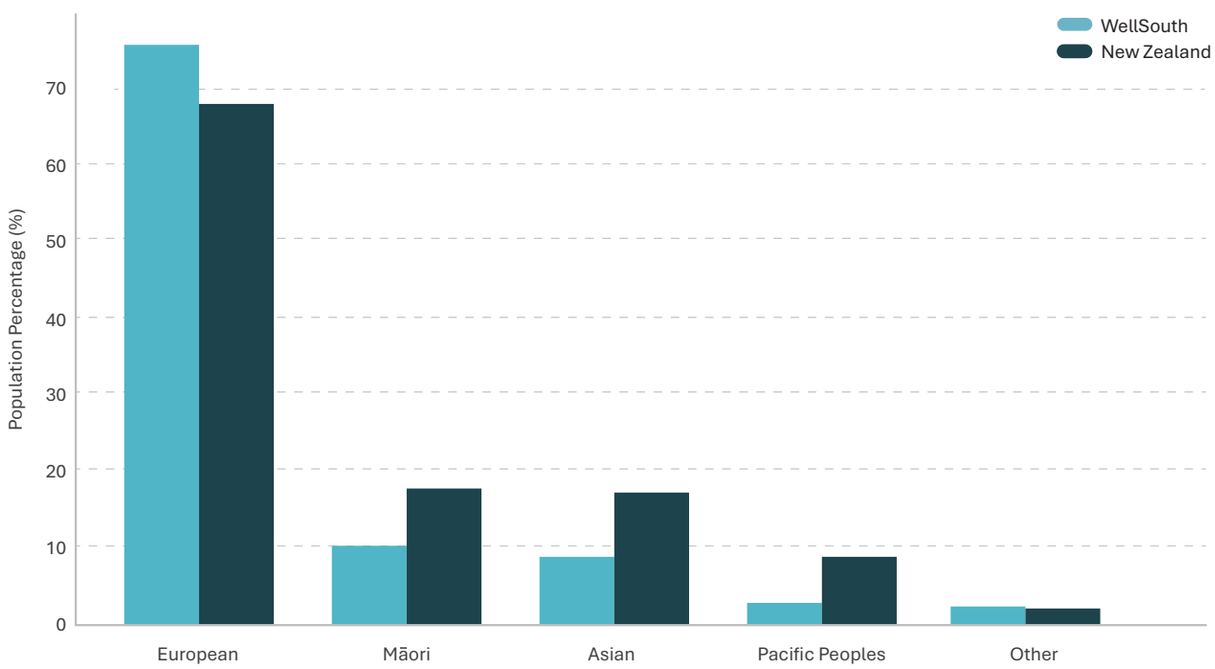
Age

Age Distribution Comparison: WellSouth vs New Zealand



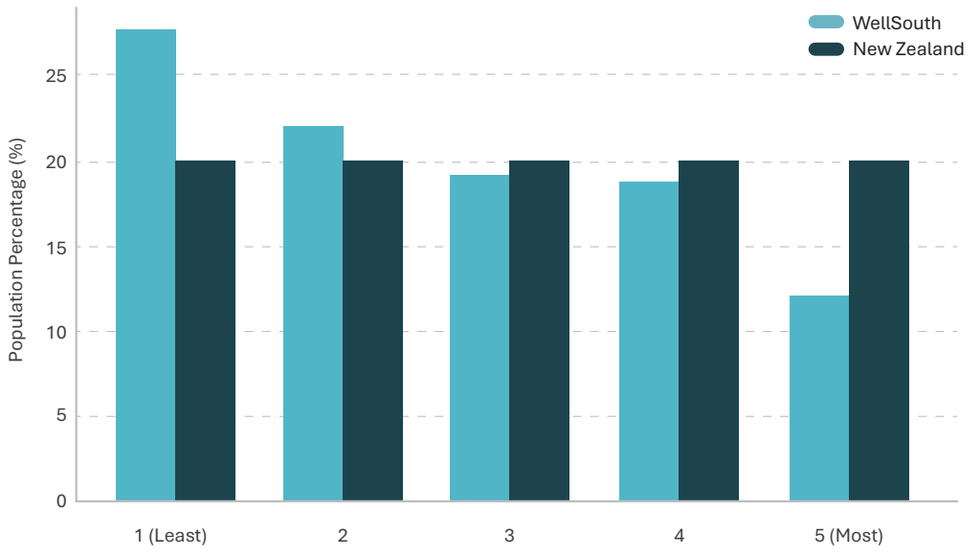
Ethnicity

Ethnicity Distribution Comparison: WellSouth vs New Zealand



Quintile

NZDep Quintile Comparison: WellSouth vs New Zealand



While the WellSouth population has a lower proportion of residents living in the most deprived NZDep quintiles and a smaller percentage of Māori and Pacific peoples compared to the national average, our region has a higher proportion of patients holding a Community Services Card (22.2% compared to 18.7 for all New Zealand).

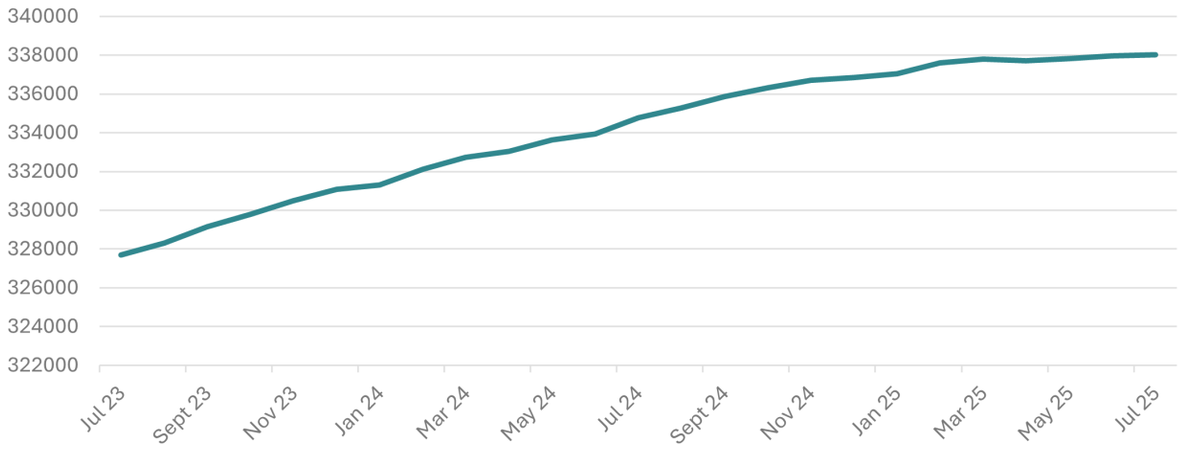
This reflects several unique characteristics of our region:

- A larger older population, many of whom qualify for the CSC through fixed retirement incomes.
- Rural and small-town communities where individual hardship may be underrepresented by area-level deprivation indices.
- A higher prevalence of seasonal or low-wage employment, particularly in agriculture and tourism.

Enrolment and Access Trends

ENROLMENT

Change in Total WellSouth Enrolled Population Over Time



Over the 2024/25 financial year, the number of people enrolled with WellSouth general practices has steadily increased, closely tracking the estimated growth in the region's resident population. This trend reflects a significant commitment from general practices across Otago and Southland to ensure access to primary care — achieved despite no material increase in the number of GPs, Nurse Practitioners, or Practice Nurses over the same period.

Enrolment in General Practices supported by WellSouth

2024

335,265

2025

338,095

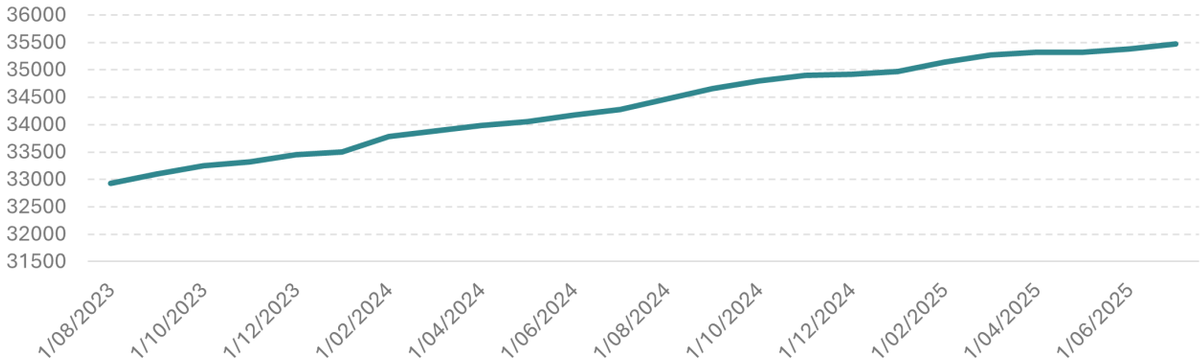
(98% of the Stats NZ estimated resident population for Otago/ Southland)

INCREASED ENROLMENT FOR MĀORI AND PACIFIC POPULATIONS

Over the 2024/25 year, WellSouth observed a notable increase in Māori and Pacific enrolment in general practice across the region. This positive trend reflects the combined impact of strategic frameworks, targeted initiatives, and strengthened partnerships with Māori and Pacific providers.

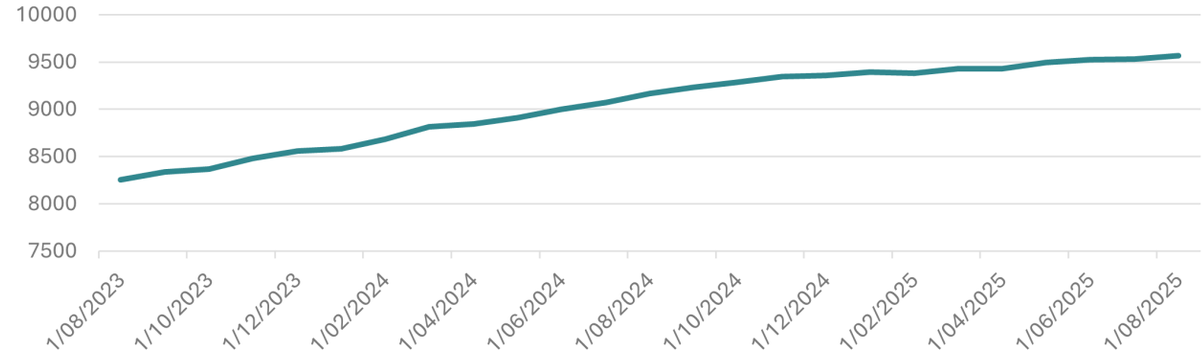
Māori Enrolment

Number of Māori enrolled over time



Pacific Peoples Enrolment

Number of Pacific Peoples enrolled over time



ACCESS

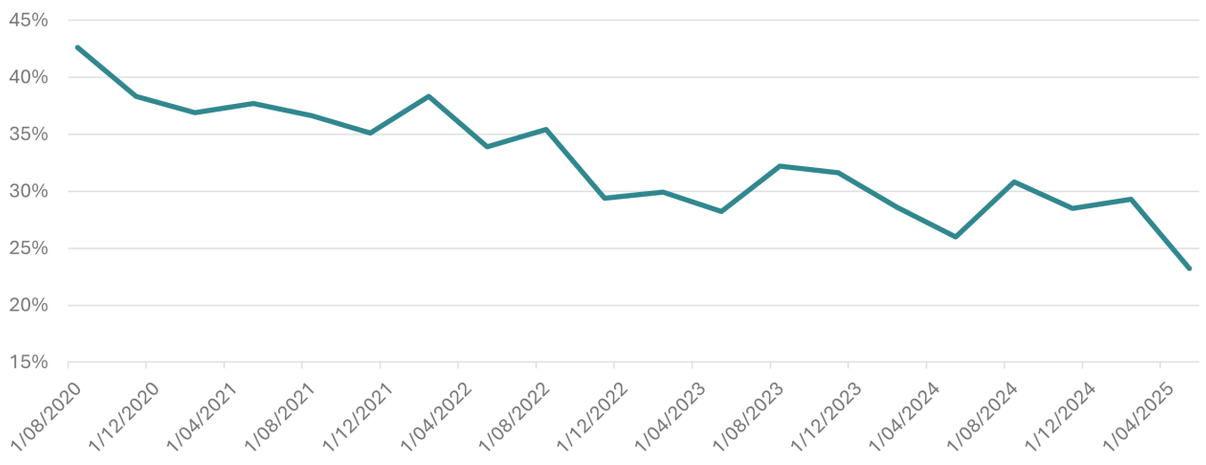
Rising enrolment in the context of a static workforce has placed growing pressure on appointment availability. This is evident in responses to the Health Quality & Safety Commission's Adult Primary Care Survey, particularly to the question:

"When you made the booking for your most recent appointment, how quickly were you able to get an appointment?"

In the quarter ending February 2025:

- **28.6%** of WellSouth respondents reported securing a same- or next-business-day appointment — above the national average of 25.6%, but down from **42.9%** in August 2020 — a **one-third decline** over five years.
- Access was similar across ethnic groups, with Māori (29.2%) and non-Māori, non-Pacific peoples (28.3%) reporting comparable experiences.
- Pacific peoples reported higher same/next-day access at **35.4%**.

Percentage of WellSouth Patients that can get an appointment on the same or next business day



Despite declining rates of immediate access, WellSouth practices performed strongly on access within one week, with 76.3% of respondents seen within five business days, compared to 68.1% nationally. This is approaching the Government's target of 80% for 2025–26.

Maintaining or improving access in the coming year will require action to address general practice capacity and workforce constraints, particularly if enrolment continues to grow in line with regional population trends.

Empowering and Supporting Providers to Deliver Sustainable, Quality Care

EFFICIENT INVESTMENT IN FRONTLINE CARE

In the 2024/25 financial year, WellSouth channelled 93% of its total funding (including capitation) directly into frontline primary care services. This includes $106 million in direct payments to general practices and providers (including capitation, flexible funding, and subcontractor payments), as well as $9 million in salaries for WellSouth-employed clinical staff in patient-facing roles such as Access and Choice, Clinical Pharmacists, Mental Health and Addiction Brief intervention Services, and Community Primary Care Teams. This high pass-through rate demonstrates WellSouth's strong commitment to resourcing primary care delivery where it matters most — with patients.

WellSouth's efficient financial model ensures that the vast majority of funding supports local general practices, community providers, and integrated clinical teams directly, while maintaining a lean operational footprint.

ADVOCACY FOR PRIMARY CARE

Under the leadership of CEO Andrew Swanson-Dobbs, WellSouth has taken a clear and active role in advocating for general practice, in-person care, and the unique needs of rural communities across the Southern region.

WellSouth is not only a vocal supporter of General Practices, often appearing in local and national news, but has been directly involved in an increase to general practice uplift. During the PHO Services Agreement Amendment Protocol (PSAAP) negotiations Swanson-Dobbs worked alongside two other PHO leaders to secure a 9.13% increase in government funding for primary care, and a critical 6.43% uplift for rural practices.

"For us in Southern, rural general practice makes up more than half of our network, our community, our people — and is where we see the greatest constraints," he said.

Swanson-Dobbs is member of the GPNZ Executive Committee and co-chair of Collaborative Aotearoa.

Through initiatives like the rural services review and regular practice workforce surveys, we are able to draw on insights from the practice network, clinicians and management, to define our work programme. Recent survey results showed 87% of general practice staff reported some level of burnout, and a quarter are considering leaving or retiring in the next 3–5 years. "The pressures are real," Swanson-Dobbs says. "We use this data to inform the work we do and to advocate more effectively on behalf of our practices."

As the government pushes forward with the New Dunedin Hospital, WellSouth has initiated and funded a dedicated Integration Manager role to ensure primary and community care are embedded in hospital design and operations.

Through media commentary, national policy engagement, and day-to-day support of practices, WellSouth continues to advocate for a system where general practice is valued, supported and well-resourced. "Primary care is the first port of call for most people," he says. "It's where prevention, early intervention, and continuity happen — and we'll keep working to ensure it gets the attention and investment it needs."

SUPPORTING RURAL HEALTH SERVICES

WellSouth serves one of the most geographically dispersed and rural populations in New Zealand, with 46% of enrolled patients living in rural or remote areas. Many practices face the logistical and workforce challenges typical of rural general practice, requiring tailored service models, outreach solutions, and flexible funding approaches.

To help develop appropriate service models and solutions WellSouth commissioned the Rural Services Review. The Rural Services Review Group published its final report in August 2024. The repot highlighted the five most import changes required for rural health provision. These were:

1. Sustainable development of the rural workforce to create a more attractive workplace for health professionals
2. Addressing 24/7 urgent and unplanned care
3. Delivery of equitable patient access for rural people
4. Efficient transport options for patients at an equitable cost
5. Achievement of manageable clinical risk for providers and patients

The report acknowledges that these involve large-scale change which is not anticipated to occur in the short term but should be considered in the context of any national or regionally led initiatives.

WellSouth's response began with the launch of the Extended Primary Care Programme (EPC) in August 2024. EPC includes two distinct pathways: a rural stabilisation pathway and an acute care pathway. The rural stabilisation pathway, available only to rural practices, is intended to fund the observation and management of patients while they await ambulance transfer, care that has often been unfunded historically. Early evaluation of EPC shows rural practices, especially those operating with urgent care models of care, are using EPC extensively, often delivering care out of hours and to an extended catchment of patients.

BUILDING WORKFORCE CAPABILITY: NURSING ADVISORY TEAM EDUCATION AND TRAINING

Training primary care nurses to prescribe increases the clinical capacity of general practices by enabling nurses to manage common conditions and medication adjustments independently, reducing reliance on GPs for routine prescribing. This not only improves access to timely care for patients but also allows the wider practice team to work at the top of their scopes, enhancing efficiency and continuity of care.

WellSouth's Nursing Advisory Team delivered a wide-ranging and high-volume programme of training and professional development for nurses and health care assistants across the Southern region during the 2024/25 year. The programme focused on practical skills development, primary care orientation, nurse prescribing, and continuous learning through webinars and face-to-face workshops.

Over the year, the team delivered:

- **13 webinars** (including the popular Nurses Hour series) with high participation on topics such as dermatology, contraception, and respiratory infections.
- **9 face-to-face clinical skills workshops** including IV cannulation, suturing, ear assessments, and diabetes refreshers — many of which drew 40–60 participants per session.
- A **Clinical Triage Training Day series** held in Cromwell, Invercargill, and Dunedin that trained 67 nurses in the Australian Triage Scale for primary care.
- A pilot **Suturing Workshop** and **Introduction to Primary Care Nursing** orientation sessions in multiple locations for new graduate nurses.

The team also led the RN Prescribing in Community Health Programme, enrolling 75 nurses across four cohorts, with the first three cohorts graduating during the reporting year. To support ongoing development, a monthly Nurse Prescriber Peer Support Group was also facilitated, offering continuing education on advanced topics.

In December 2024, the team launched a Primary Care Practice Assistant (PCPA) pilot, enrolling 17 health care assistants in an apprenticeship programme and delivering foundational clinical skills training across Gore, Palmerston, and Cromwell.

These initiatives collectively demonstrate WellSouth's strong commitment to building workforce capability and supporting nurses to work at the top of their scope in primary care.

Reference: Training and Education Delivered by the WellSouth Nursing Advisory Team 1st July 2024- 30th June 2025. SSP/Refs

QUALITY IMPROVEMENT, RESEARCH, AND EVALUATION HUB

The Quality Improvement, Research, and Evaluation (QIRE) Hub plays a key role in fostering a culture of continuous improvement and learning across WellSouth and the wider Southern health system. Its work builds the capability of WellSouth teams and general practices to evaluate the impact of their programmes, refine service delivery, and embed improvement methodologies in everyday practice.

In 2024/25, the QIRE Hub undertook a range of evaluation projects to understand the impact of WellSouth's programmes on providers, patients, and the broader health system. This included comprehensive evaluations of the Comprehensive Primary Care Teams initiative, the Extended Primary Care Programme, and the Tamali'iaga pilot project, as well as support for assessing the implementation of the Primary Care Practice Assistant Apprenticeship.

QIRE also produced a number of rapid reviews and literature summaries to support service development and decision-making. These included a review of Dunedin's urgent care needs, an analysis of the effectiveness of community health fairs, and investigations into improving immunisation rates among Pacific populations. Additional work explored patient experiences in primary care and insights from student-led smoking cessation projects.

From a quality improvement perspective, QIRE continued to strengthen WellSouth's internal systems and capability. Staff across the organisation received targeted QI training, and the team refined both the adverse events process and the organisation's approach to clinical governance by aligning with the new HQSC framework. Early-stage improvement initiatives were also launched to address DNA (Did Not Attend) rates and enhance patient engagement.

Through this work, QIRE is helping WellSouth, and its partners better understand the impact of their services, support evidence-informed practice, and contribute to a growing evaluation network across Te Waipounamu.

You can access the QIRE Hub publications here
WellSouth Evaluation and Research Reports » WellSouth

FOUNDATION STANDARDS ASSESSMENT

Supporting Practice Quality and Accreditation: Foundation Standard Assessments

In 2024, WellSouth's Primary Care Network Team launched a new initiative to support general practices in achieving accreditation to the RNZCGP Foundation Standard, a core requirement under the PHO Services Agreement. This work emerged in response to challenges faced by practices across the region, including limited access to local assessors, high assessment costs, and delays in scheduling visits.

To address these barriers and support equity of access, WellSouth committed to offering a fully funded assessment service using independently authorised assessors employed within the organisation. This model, increasingly adopted by PHOs across Aotearoa, reduces the cost burden on practices and enables earlier identification of risks where accreditation is not yet achieved.

In April 2024, three staff from the Primary Care Network Team, two Practice Relationship Managers and the Health Care Home Lead, successfully completed RNZCGP assessor training. The first Foundation Standard assessment was completed in December 2024, and by year end, four practices had achieved accreditation through the WellSouth-led process: Green Island Family Health, Bester McKay, Wanaka Medical, and Health Central Alexandra.

Additional assessments have been completed and are now awaiting formal sign-off by the College, including visits to Health Central Roxburgh and He Puna Waiora. Further visits, such as Te Ha o Maru, are scheduled for early 2025/26.

This work has required a significant commitment from the newly trained assessors, supported by a wider WellSouth cross-team effort and collegial input from Pegasus PHO. The feedback from practices has been strongly positive, and all practices with expiring accreditation in the next 12 months have now booked reassessments with a WellSouth assessor, a sign of confidence in both the service and the relationships built through the process

Empowering and Supporting Providers to Deliver Equitable Care

MĀORI AND PACIFIC HEALTH STRATEGIC FRAMEWORKS

Māori Health Strategic Framework

In 2024/25, WellSouth formalised its first Māori Health Strategic Framework (MHSF) to strengthen our Tiriti-led, equity-driven approach and ensure Māori in Otago and Southland can live stronger for longer, accessing high-quality healthcare in the setting of their choice.

The MHSF builds on existing successes from Pou Tōkeke, Pou Manaaki, and Māori clinical leadership roles, and aligns with Pae Tata, He Korowai Oranga, Pae Ora, the Southern DHB/WellSouth Māori Health Plan, and Whakamaua: Māori Health Action Plan. Development was informed by Māori staff, hauora providers, and Māori communities.

Strategic Objectives

The framework sets out six interconnected objectives with specific action plans:

1. Support Māori to Thrive – Set equity as the minimum standard; improve life expectancy and access to care; focus on LTCs, cancer, mental health, the first 2000 days; integrate rongoā; and connect high-needs whānau with wrap-around services.
2. Grow the Māori Workforce – Increase Māori staff across WellSouth and the primary care network; provide wānanga, career pathways, and cultural supervision; support professional development.
3. Deliver Quality Programmes that Work for Māori – Co-design all new programmes with Māori; align outcomes with Māori health priorities; use robust data and consumer voice to drive improvement.
4. Partner with Māori Communities – Build strong, regular engagement with hauora providers; take services to communities through marae-based events, Pātaka Ora, Taurite Tū, and other outreach models.
5. Increase Te Reo and Tikanga in Primary Care – Provide bilingual signage, cultural education, and a “Kura Hauora” three-year curriculum for all Kaimahi; uphold tikanga across the organisation and model it for partners.
6. Increase Cultural Safety in Primary Care – Deliver Meihana Model and bias training; provide cultural supervision; embed Māori events and knowledge into everyday practice.

Key Initiatives and Drivers

- Kura Hauora: A three-year hybrid training curriculum embedding bi-cultural practice across the primary care workforce.
- High Needs Households: Identifying and directing services to whānau with complex needs.
- Kahu Taurima – First 2000 Days: Co-ordinating newborn enrolment, immunisation, nutrition, and maternal mental health support.
- Rongoā Integration: Building a rongoā database, running wānanga, and normalising rongoā in primary care.
- Workforce Mapping: Creating a database of Māori nurses in primary care to support connection and development.

Impact and Next Steps

The framework provides clear guidance for decision-making, resource allocation, and performance measurement. Implementation is being monitored with KPIs for equity outcomes, supported by QIRE Hub evaluation. The next steps focus on embedding the framework across all WellSouth programmes, scaling up Kura Hauora, and deepening partnerships with Māori providers.

Pacific Health Strategic Framework

In 2024/25, WellSouth adopted its first Pacific Health Strategic Framework (PHSF), embedding it within the organisation’s overall Strategic Framework and reinforcing its position as an equity-driven, Te Tiriti o Waitangi-led Primary Health Network. The PHSF aligns with Te Mana Ola – The Pacific Health Strategy, the NZ Health Strategy 2023, and the Aotearoa New Zealand Health Status Report 2023.

The vision is Pae Ora for all Pasifika communities in the Southern region – equitable, sustainable, quality, and holistic care, culturally grounded in Pacific values:

- Alofa (love, respect)
- Va (relationships, reciprocity)
- Tautua (service)
- Aiga/Fāmili/Kōpu tangata (family-centred)
- Fa’aaloalo (humility)

The framework recognises Pacific health as holistic, incorporating physical, mental, and spiritual wellbeing, and the environmental and community contexts in which Pacific peoples live.

Context

Over 11,000 Pacific peoples live in Otago/Southland, with growing populations in Dunedin, Invercargill, Waitaki, and Central Otago. Pacific communities face significant inequities:

– Life expectancy 6 years less than non-Māori/non-Pacific, with no improvement in two decades.

– Higher rates of long-term conditions (diabetes, CVD), lower screening coverage, and higher ASH rates for preventable conditions in children and adults.

– Limited Pacific-specific health services and workforce.

Strategic Outcomes

Over the next nine years, the PHSF aims to:

1. Deliver primary care services that improve Pacific health outcomes and reduce avoidable morbidity and mortality.
2. Embed Pacific health priorities across all WellSouth programmes and services.
3. Provide guidance to staff and partners on culturally effective care for Pacific peoples.
4. Build trusted relationships with Pacific communities and providers.
5. Support and grow Pacific health services and workforce in the region.

Priority Areas and Actions

1. Pacific-appropriate Programmes – Adapt existing services and develop new ones to address prevention, health promotion, women's and children's health, and long-term condition management, using Pacific voices and data to guide design and evaluation.
2. Improve Access – Identify and address barriers (language, cost, transport, appointment timing); deliver Pacific Equity training; develop translation services; and strengthen By-Pacific, For-Pacific service options.
3. Grow the Pacific Health Workforce – Increase Pacific staff across all levels of WellSouth and primary care; offer scholarships, mentoring, and leadership pathways; ensure equitable remuneration for cultural expertise.
4. Support Pacific Autonomy and Services – Strengthen Pacific provider capability; share relevant data to support service planning; encourage Pacific-led research and evaluation, maintaining Pacific data sovereignty.
5. Population Health Initiatives – Target healthy housing, healthy food environments, and disease prevention programmes using local health data to identify at-risk Pacific households and communities.

Next Steps

Implementation is being phased, with early priorities including:

– Rolling out Pacific Equity training across WellSouth and practices.

– Establishing formal partnerships with Pacific providers for service delivery.

– Improving data capture on Pacific health outcomes.

– Launching targeted prevention and screening initiatives.

DISABILITY ACTION PLAN

In 2024/25, WellSouth developed its first Disability Action Plan, recognising that tāngata whaikaha, tagata sa'ilimalo, and disabled people make up around one-quarter of the Southern population and often face significant barriers to accessing equitable primary care. This work was guided by a dedicated steering group — over half of whom had lived experience of disability — and extensive engagement with disabled people, Māori and Pacific communities, and disability sector partners.

The plan aligns with the Te Whatu Ora Southern Disability Strategy and WellSouth's Māori and Pacific Strategic Frameworks, committing to act in accordance with Te Tiriti o Waitangi and to reduce inequities experienced by Māori and Pacific disabled people and their whānau.

Priority Action Areas

1. Building leadership and capacity – Establishing a dedicated disability role within the Health Equity Team; making disability equity a strategic priority across all WellSouth programmes.
2. Listening and responding – Ensuring disabled people are involved in the design, delivery, and evaluation of services, building and maintaining strong community and sector partnerships.
3. Strengthening primary care services – Developing a general practice accessibility toolkit (including policy, practical guidance, service repository, and audit processes); creating education resources; improving identification of disabled populations in primary care data; advocating for national policy and funding changes.
4. Being a good provider and employer – Implementing an inclusive communications policy; embedding disability awareness in staff induction; reviewing HR policies to ensure equitable recruitment and employment practices; auditing WellSouth premises for accessibility.

Implementation and Next Steps

A framework is being developed to track responsibilities, timelines, and measures of success. Early priorities include:

- Finalising and rolling out the general practice accessibility toolkit.
- Strengthening data capture and monitoring for disabled populations.
- Completing internal accessibility and policy reviews.

The plan is a living document and will be reviewed and updated annually, ensuring WellSouth's commitment to listening, learning, and acting to improve primary care access and outcomes for disabled people in Otago and Southland.

DASHBOARDS TO SUPPORT EQUITABLE CARE, TAMALI' IAGA

Data shows a significant gap in outcomes for Pacific peoples with Diabetes in the WellSouth region. The Tamali'iaga Programme was developed to test a data informed approach to addressing this outcome differential. Tamali'iaga is a pilot programme testing the use of a 'Diabetes Best Practice' dashboard as a tool for co-ordinating care for patients with type-2 diabetes. The dashboard presents data on the completion of a series of health checks underpinned by the New Zealand Society for the Study of Diabetes guidance on how to manage diabetes and pre-diabetes. The premise of the pilot is for a co-ordinator to use the dashboard to identify patients enrolled at their practice who are overdue diabetes health checks, proactively contact the patients, and co-ordinate a multi-disciplinary team approach to the completion of the overdue checks.

The 6-month interim evaluation found that the Tamali'iaga pilot programme is achieving its goal to increase the completion of diabetes health checks for Pacific peoples. Determining whether this is translating into a positive change in clinical health metrics for these patients is more difficult to establish at this early stage. Further evaluations of these clinical health metrics at 9 and12 months are planned.

Figure 1. Average number of overdue diabetes checks per patient at pilot and non-pilot practices

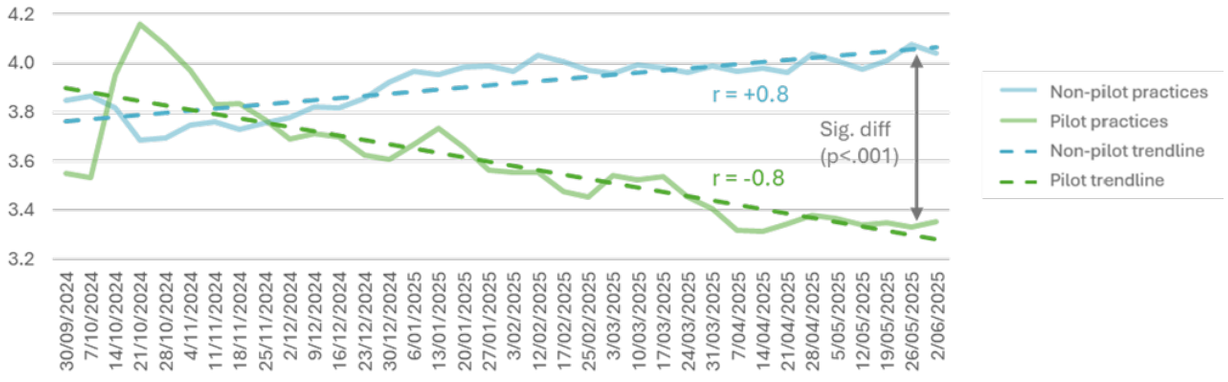
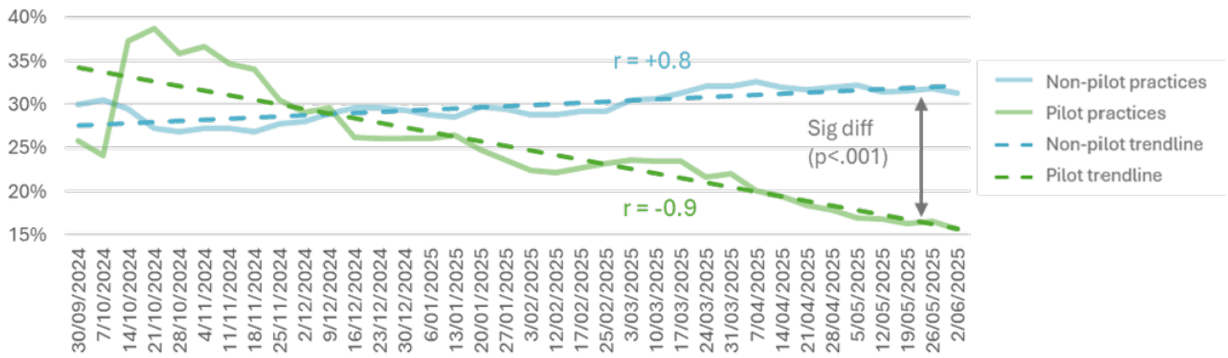


Figure 2. Average percentage of patients overdue a CVDRA at pilot and non-pilot practices



CERVICAL AND BREAST SCREENING OUTREACH

In 2024/25, WellSouth's Pou Manaaki team delivered a comprehensive outreach service aimed at improving cervical and breast screening rates among unenrolled and previously non-attending Māori and Pacific women. The programme was delivered in partnership with ScreenSouth Ltd and supported by a network of subcontracted providers across Otago and Southland.

Across the year, WellSouth expanded its subcontractor network to include 11 organisations, comprising Pacific providers, kaupapa Māori providers, and rūnanga-owned general practices. These partners provided culturally safe home-visit outreach services tailored to local communities. Notably, community-led events like Moana Lei, attended by more than 130 wāhine across two locations, demonstrated strong engagement and reinforced the value of Pacific-led health promotion.

The implementation of the Te Puna system improved data tracking and workflow for the team, despite early technical and onboarding challenges. Improvements in engagement were also seen following the introduction of Sunday calling.

To enhance capability, the team completed training in cultural competency, motivational interviewing, privacy, and distress management. Equity and health literacy were also prioritised through in-house Quality Improvement training and participation in WellSouth's Equity Education Day. Relationships with general practices and radiology providers strengthened over time, and targeted liaison meetings helped resolve earlier communication gaps.

Although some delays occurred in contract execution and follow-up of unenrolled participants, the programme established a solid foundation. Performance monitoring of subcontractors commenced in Q1 2025/26, and staff capacity increased with the addition of new team members.

Overall, the initiative exemplified a flexible, culturally responsive model that effectively supported high-priority populations and contributed to greater screening equity in the Southern region.

ACCESS AND CHOICE: EXPANDING MENTAL WELLBEING SUPPORT

WellSouth's Access and Choice programme continues to play a key role in enhancing access to mental wellbeing support across the Southern region, a key government health priority. As of 2024/25, the service is delivered in 52 general practices, covering approximately 76% of the Southern population. A total of 24.9 FTE Health Improvement Practitioners (HIPs) and 28.9 FTE Health Coaches and Community Support Workers are contracted under the programme.

Operating within a national funding model designed for urban environments, WellSouth has adapted the structure of roles to better suit the realities of the Southern region, where rurality and variable practice size require flexibility. Workforce deployment is tailored based on practice capacity, local community needs, and actual service demand and utilisation.

A key focus over the 2024 -25 year has been strengthening the use of outcome measures to support behaviour change and capture whaiora perceptions of their quality of life. In 2024/25, outcome measures were used in 71% of therapeutic encounters, up from 66% in the previous year. The average improvement in Duke scores — a tool measuring wellbeing — was 8.3 points, indicating a statistically significant change. Notably, Māori and Pacific whaiora experienced even greater improvements, with average score changes of 9.5 and 11.1 respectively, particularly in perceptions of mental wellbeing during follow-up.

Group-based interventions also grew in reach and impact this year. The proportion of whaiora accessing a therapeutic group rose to 9.47%, up from 7.04% in 2023/24. Group formats are adapted for the primary care setting and include initiatives such as walking groups, resilience and recovery sessions, wellness workshops, and writing for wellbeing. Many are delivered in partnership with community organisations and held outside traditional practice settings, increasing their reach and cultural relevance.

Access and Choice Encounters

	2024	2025
Total encounters	**43,978**	**46,012**
People seen	**18,251**	**19,739**
Seen within 7 days	**79%**	**79%**

To ensure New Zealanders have timely access to effective mental health and addiction services the has established a target of 80% of people accessing primary mental health and addiction services through the Access and Choice programme being seen within one week. While just shy of this in the 2024 -25 year, the WellSouth Access and Choice service is well poised to achieve this target over the next 12 months.

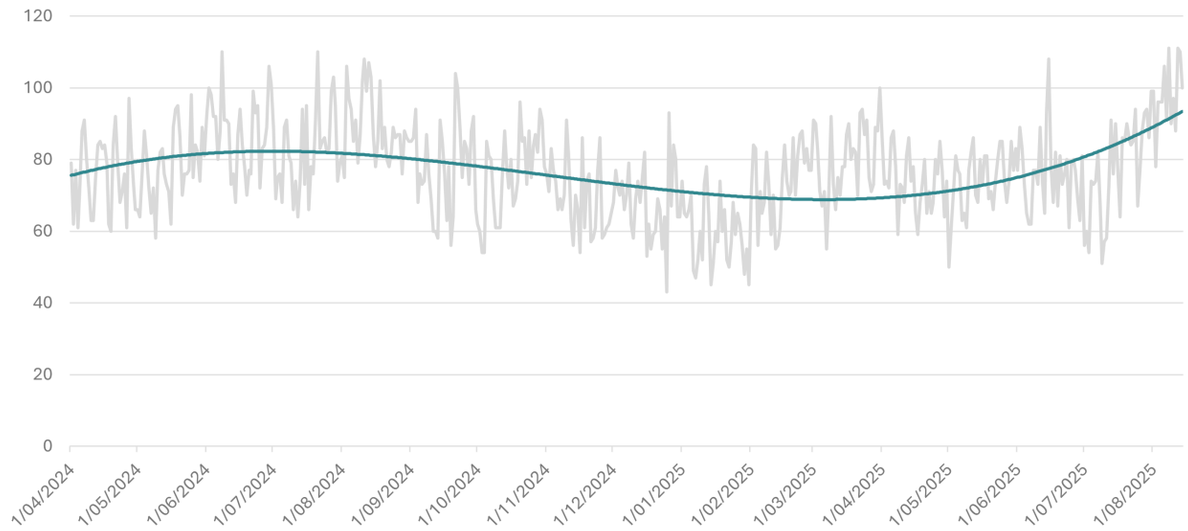
SUPPORTING ACCESS TO AFTER HOURS AND URGENT CARE

In November 2024, WellSouth entered into a strategic partnership with Dunedin After Hours Doctors Limited to secure the ongoing provision of after-hours care for Dunedin and the wider community at the Dunedin Urgent Doctors and Accident Centre. Faced with escalating demand and insufficient funding, the service was at serious risk of insolvency — which would have left the city without a dedicated urgent care facility. WellSouth's significant investment not only ensured the continuation of the service but also enabled improvements to better meet the needs of both patients and clinicians.

This was WellSouth's second major intervention in 2024 to sustain vital after hours and urgent care in the region. Earlier in March, following the unexpected closure of Invercargill's previous after hours service, WellSouth rapidly established a temporary urgent care clinic in partnership with local clinicians at Te Hau o Te Ora — its joint venture general practice with local rūnanga. Both actions reflect WellSouth's commitment to ensuring equitable and reliable access to primary care at all hours, especially in times of service fragility.

Data shows the number of consultations provided by Dunedin Urgent Doctors and Accident Centre have trended upwards since the formation of the partnership.

Dunedin Urgent Doctors and Accident Centre number of consultations per day



FALLS AND FRACTURES PROGRAMME

Southern Fracture Liaison Service Achieves Gold International Recognition

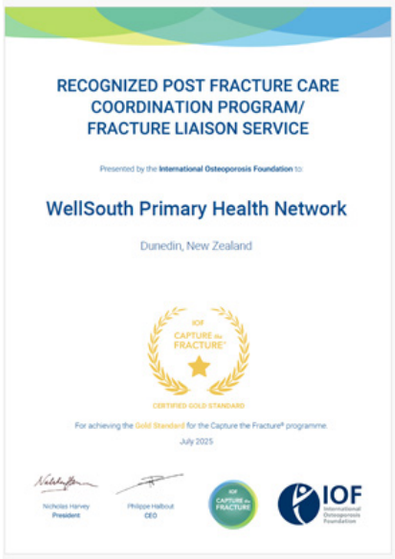
WellSouth's Southern Fracture Liaison Service (FLS) has been awarded a prestigious gold rating by the International Osteoporosis Foundation for excellence in fragility fracture care. This recognition is based on performance across five administrative and clinical domains, meeting 13 international standards of best practice.

Funded by ACC and supported by Osteoporosis New Zealand, the Southern FLS supports older adults across Otago and Southland to recover from fragility fractures and reduce the risk of future injuries. Now in its fourth year of delivery, and its third year participating in the Australian and New Zealand Fragility Fracture Registry, the service has progressed from Bronze and Silver to Gold status—demonstrating continuous improvement and sustained impact.

Led by Clinical Director Dr Richard Macharg and a dedicated team of Fracture Liaison Coordinators, the service has recently expanded its reach by gaining access to public hospital radiology data. This access enables earlier identification of vertebral fragility fractures (VFFs), allowing more individuals to receive timely intervention and support for osteoporosis and falls prevention.

The service plays a vital role in reducing hospital bed days, with modelling by Osteoporosis New Zealand suggesting up to 1,200 hospital bed days could be saved across Dunedin and Southland hospitals over the next three years. In 2024/25, the team evaluated 100 more patients than the previous year and continues to focus on strengthening collaboration with secondary care—especially important as the New Dunedin Hospital is developed.

By focusing on early intervention, improved care coordination, and community-based support, the FLS contributes to stronger, safer ageing and aligns with WellSouth's vision for a resilient and proactive health system.


RECOGNIZED POST FRACTURE CARE COORDINATION PROGRAM/ FRACTURE LIAISON SERVICE

Presented by the International Osteoporosis Foundation to:

WellSouth Primary Health Network

Dunedin, New Zealand

CAPTURE the FRACTURE®

CERTIFIED GOLD STANDARD

For achieving the Gold Standard for the Capture the Fracture® programme.

July 2025

Nicholas Harvey President

Philippe Halbout CEO

IOF International Osteoporosis Foundation

COMPREHENSIVE PRIMARY AND COMMUNITY CARE TEAMS

The Comprehensive Primary and Community Care Teams (CPCT): programme, led by WellSouth and funded through Te Whatu Ora's Budget 2022 investment, aims to strengthen access, equity, early intervention, and care coordination across Otago and Southland. In its first year of implementation, the initiative supported over 6,600 individuals, with particularly high engagement from Māori and Pacific populations — each representing over 20% of total service users.

Operating across eight clusters and 33 general practices, the CPCT model brings together general practices and community providers to form multidisciplinary teams. These teams include care coordinators, physiotherapists, and kaiāwhina who work collaboratively to deliver holistic care that addresses both medical needs and the social determinants of health. Services are free and flexible — often provided in community settings or through home visits — and prioritise access for underserved populations including rural and disabled communities.

A recent independent evaluation led by WellSouth's QIRE team confirmed the programme's early success. Outcomes included improved management of long-term conditions, particularly cardiovascular disease and diabetes, increased rates of immunisations and screening, and reduced levels of social isolation and hospital readmissions. Notably, CPCT practices showed steeper increases in proactive care metrics and better equity trends when compared to non-CPCT practices.

From a workforce perspective, CPCT has added over 17 FTE roles, with additional funding used to support training, upskilling, and capacity building across the primary care sector. Clinicians report that the model has reduced burnout, improved referral pathways, and created time and space to respond to complex needs. Meanwhile, consumers describe feeling more supported, informed, and connected to their care — with success stories ranging from access to long-delayed dental care to recovery through culturally appropriate physiotherapy.

The CPCT model represents a scalable, equity-focused approach to primary care delivery. It aligns strongly with national health reform objectives and is already making a measurable impact on health outcomes, access, and system sustainability across the Southern region.

NEW DUNEDIN HOSPITAL LIAISON: ENSURING PRIMARY CARE IS CENTRAL TO SYSTEM REFORM

The New Dunedin Hospital (NDH) has been planned around a high-efficiency model, requiring a significant shift in care delivery away from the hospital and into primary and community settings. WellSouth has responded to this challenge by establishing a dedicated project team and appointing a full-time Integration Manager, Primary and Community Services for NDH — a role fully funded by WellSouth.

The project aims to identify the most impactful out-of-hospital initiatives that can reduce pressure on hospital services through early intervention, chronic disease management, and improved care transitions. This includes assessing the current system, designing an ideal future model, identifying priority opportunities, and supporting these with logic-driven investment cases.

The project will work across four key areas — long-term conditions, frailty, acute demand, and virtual health — and is tasked with bridging gaps between primary and secondary care, while advocating for a truly integrated health system.

This strategic appointment underscores WellSouth's leadership in health system transformation and its commitment to ensuring that the success of the New Dunedin Hospital is grounded in a strong, well-resourced primary care sector.

CLINICAL PHARMACIST SERVICE

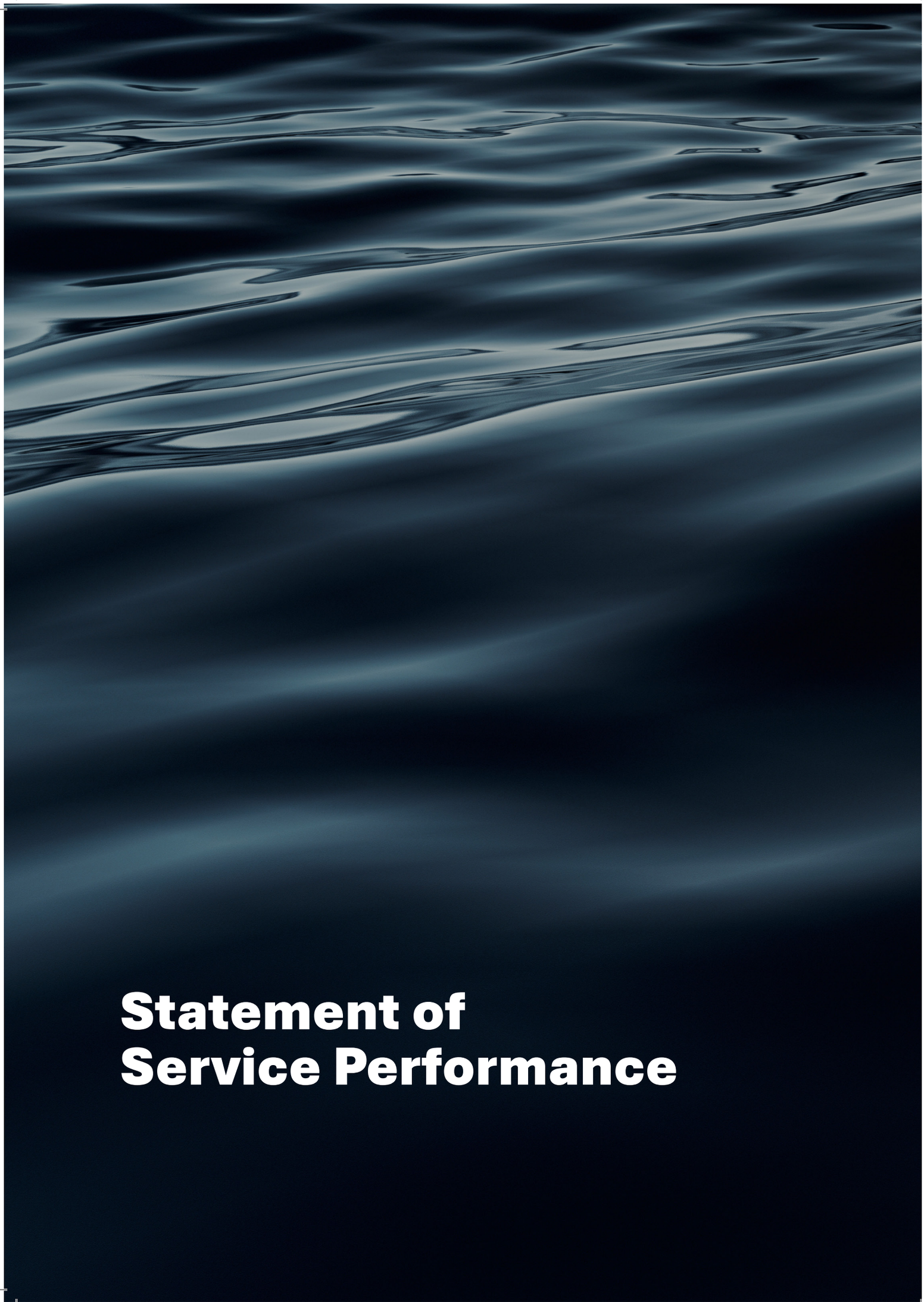
In 2024/25, WellSouth's Clinical Pharmacist team delivered a high-volume, high-impact service across the Southern region, completing more than 10,800 encounters. Most of these were direct patient consultations with 10,384 patients seen for a medication review, reflecting the service's strong focus on face-to-face clinical care.

The year saw meaningful progress in equity. Engagement with Māori patients rose from 11.3% in the first quarter to 12.3% by year-end, while Pacific engagement increased markedly to 8.8% in the final quarter — a lift driven in part by the Tamali'iaga diabetes project. Population Health Pharmacists played a particularly important role in these equity gains, providing not only individual consultations but also group education and outreach alongside Māori and Pacific providers. Much of this relationship-building and community engagement sits outside formal activity counts but has been vital to improving access and trust.

Clinically, the team's contribution was substantial. Over the year they conducted more than 3,900 physical patient assessments as part of a medication review, offered over 10,200 recommendations to general practice teams on medication management, and responded to around 300 medication information queries. They also completed 165 quality improvement activities within practices and delivered 33 education sessions, further embedding safe, effective medicines use into everyday practice.

The service's impact extends beyond these numbers. By managing routine prescribing, follow-up, and patient education, the pharmacists have helped to reduce GP workload and free up clinical time. They have strengthened long-term condition management, particularly for diabetes and cardiovascular disease, and improved access to culturally safe care for Māori and Pacific patients. Through audit, education, and ongoing quality improvement projects, they have supported practices to deliver safer, more effective care.

Overall, the Clinical Pharmacist service is a critical enabler of integrated, team-based care in the Southern region, delivering measurable benefits for both equity and clinical outcomes.



Statement of Service Performance

Executive Summary

The 2024/25 Annual Report outlines how WellSouth has delivered on its core purpose: to empower and support providers to deliver sustainable, accessible, equitable quality care to Southern communities. This year's work reflects the close alignment between our programmes and the Governments priorities and targets as outlined in the Government Policy Statement on Health 2024 -2027 along with a continued focus on improving equity, strengthening primary care, and supporting practice sustainability.

PERFORMANCE OVERVIEW

Throughout 2024/25, WellSouth supported a network of general practices and community providers serving more than 330,000 enrolled patients. Despite ongoing workforce constraints and rising demand, regional enrolment remained high at 98%, demonstrating strong system resilience and adaptability. However, half of practices are now limiting new enrolments, signalling growing pressure on primary care capacity.

KEY RESULTS

- Immunisation: 88.3% of enrolled 24-month-olds were fully immunised, narrowly missing the 90% national target. The Māori–non-Māori equity gap (1.04) remains a key area for improvement.
- Avoidable Hospitalisations: Rates continue to show persistent inequities, particularly for Māori and Pacific peoples, reflecting structural access barriers consistent with national trends.
- Cancer Screening: Cervical screening coverage increased across all ethnicities, with Māori and Pacific women showing significant gains and WellSouth now outperforming national averages.
- Access and Experience: Patient-reported access and cultural safety indicators remain above or near national averages, though equity gaps persist for Māori and Pacific respondents.
- Chronic Conditions: Improved diabetes management is evident, with declining HbA1c levels and increased annual reviews. Cardiovascular risk assessments are improving for Māori and Pacific populations, aided by targeted interventions.
- Mental Health: The Access and Choice programme continues to perform close to the 80% target for one-week access, with recent gains following workforce stabilisation.

EQUITY AND SYSTEM SUSTAINABILITY

Equity remains central to WellSouth's work. Collaborative initiatives with Māori and Pacific providers, community outreach, and targeted workforce programmes have strengthened enrolment, screening, and chronic-care outcomes for priority populations. However, sustained effort is needed to reduce access inequities, mitigate workforce shortages, and address rising system vulnerability.

OVERALL ASSESSMENT

WellSouth has delivered tangible progress across multiple domains of the health system — particularly in maintaining high enrolment, advancing equity in screening and chronic-condition care, and strengthening mental-health access. Continued focus on workforce resilience, immunisation coverage, and culturally safe engagement will be key to sustaining gains and achieving national performance targets in 2025–26.

BDO INVERCARGILL

Health Targets

SYSTEM LEVEL MEASURES

System Level Measures (SLMs) are a set of indicators used to track and improve the overall performance and outcomes of the health system. These measures focus on key areas of health and well-being, aiming to improve the health of the population and reduce inequities.

There were two financially incentivised SLM milestones for the 2024 – 2025 financial year:

1. **Immunisation rate of enrolled 24-month-olds.**
   The percentage of enrolled children who turned 24 months old during the reporting period, who are recorded as fully immunised for age on the Aotearoa Immunisation Register (AIR), including all scheduled vaccines due between birth and age 24 months.

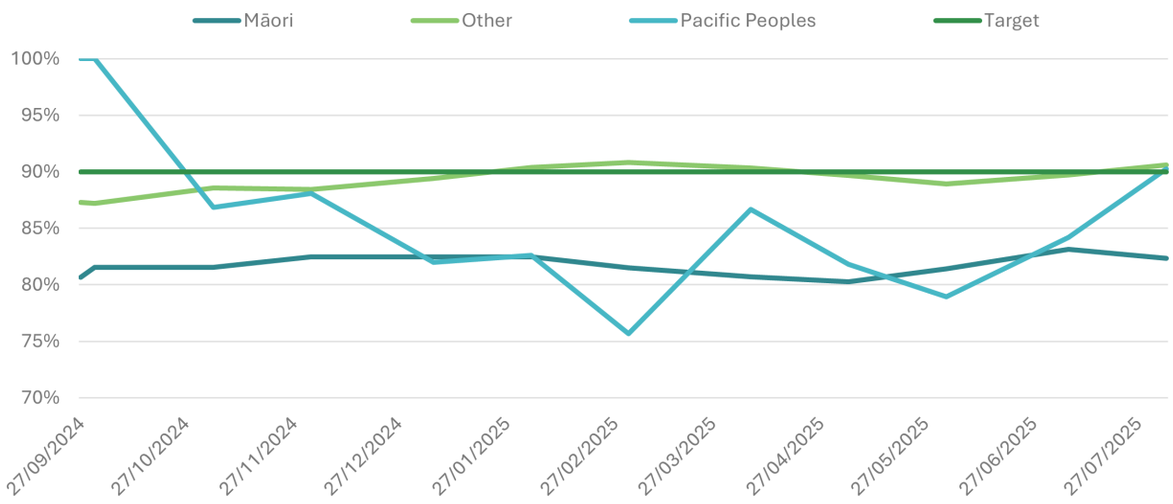
2. **Immunisation equity gap of enrolled 24-month-olds.**
   A comparison of the immunisation coverage rate of 24-month-old non-Māori children relative to the rate in Māori children in a PHO.

Targets

WellSouth's targets for the 3 months to 30 June 2025 were set as follows:

	Target	Outcome
Immunisation rate of all enrolled 24-month-olds	**90%**	**88.3%**
Relative Immunisation Rate between non-Māori and Māori less than	**<1.0**	**1.04**

Immunisation rates at 24 months by ethnicity



88.3% of enrolled children aged 24 months in the WellSouth region were fully immunised, narrowly missing the national target of 90%. The relative immunisation rate between non-Māori and Māori was 1.04, above the target of ≤1.0, indicating a persistent equity gap.

Breaking this down:

- **Māori children:** 154 eligible, 132 fully immunised, 8 partially immunised, 14 declined.
- **Total population:** 762 eligible, 33 partially immunised, 56 declined.

While considerable outreach and follow-up effort was undertaken — including targeted recall systems, equity-focused provider engagement, and community immunisation events — the target was not achieved.

Key factors influencing this result include:

- Declines: A notable proportion of parents actively declined immunisation, particularly in Māori communities, reducing achievable coverage regardless of follow-up.
- **Partial immunisations:** Some children had started but not completed their schedule, possibly in part due to scheduling issues given the current difficulty in getting suitable and timely appointments.
- **Access barriers:** Workforce constraints in general practice, combined with the geographic spread and rurality of the Southern region, limited opportunistic vaccination.
- **Vaccine hesitancy:** Misinformation, mistrust, and competing priorities for whānau contributed to delays or refusals, despite proactive outreach.

WellSouth will continue to work with general practices, Māori and Pacific providers, and community partners to address these challenges — with a focus on improving timely completion of the schedule, reducing declines through culturally appropriate engagement, and narrowing the equity gap to meet or exceed targets in 2025–26.

OUTCOME MEASURES ALIGNED TO THE GOVERNMENT POLICY STATEMENT ON HEALTH

The following outcome measures are set by the WellSouth Clinical Governance group based on the expectations set out in the Government Policy Statement on Health 2024 -2027(GPS).

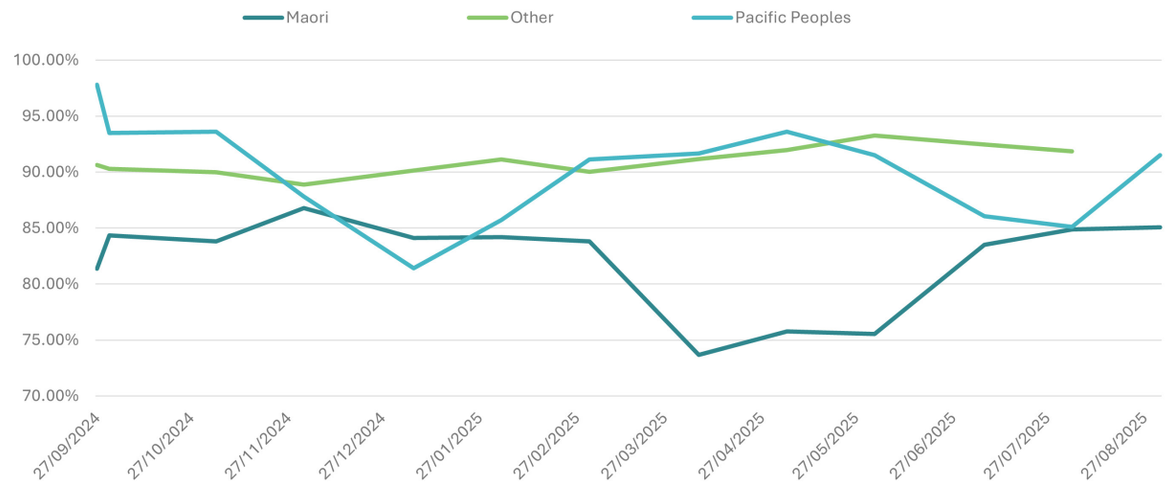
Progress is closely monitored throughout the year under the oversight of the Clinical Governance Group. Monitoring the outcomes of our actions in real time is at the heart of WellSouth's continuous quality improvement processes and is key to ensuring the efficient and effective use of our resources.

Progress on our Outcome Measures and related GPS Indicators are reported below.

GPS Indicator 1.01: Improved immunisation for children.

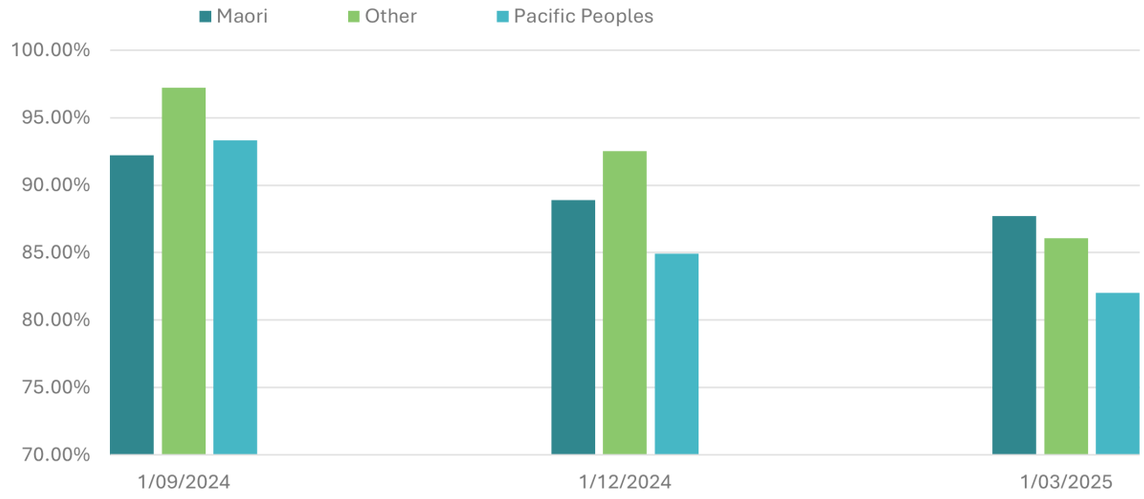
The Immunisation rate at 8 months is a contributory target for the System Level Measure of 24 month immunisation rates. The data shows considerable variability in the Māori rate, with no group yet reaching the WellSouth target of 95%.

Immunisation Rate 8 Months



The rate of enrolment of newborns is a second contributory target for the System Level Measure of 24 month immunisation rates.

Percentage of Newborns Enrolled in a General Practice by 3 Months of Age

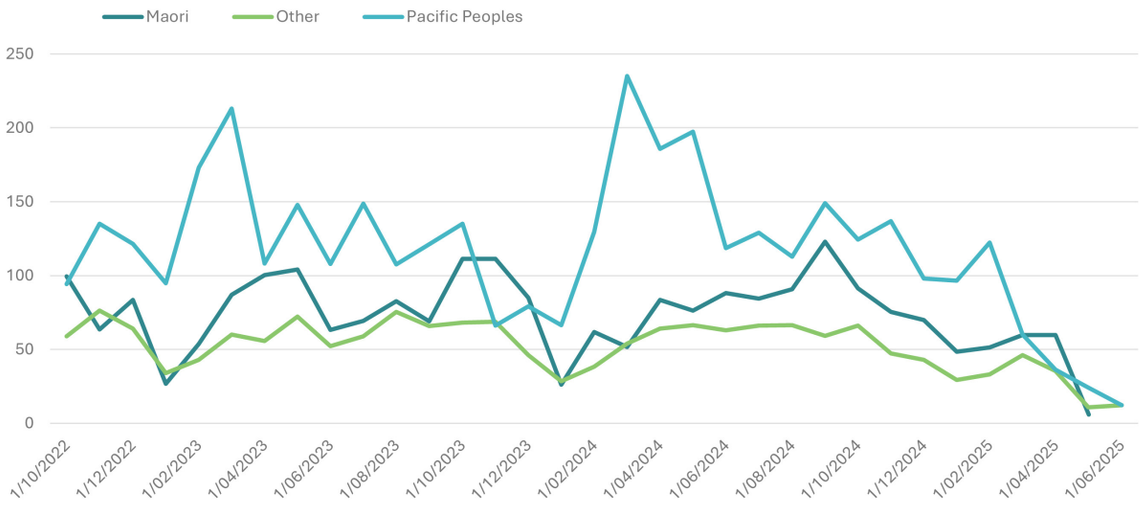


The data shows a concerning downward trend in newborn enrolment. The cause of this requires more investigation, particularly set against the high overall rate of General Practice enrolment in the WellSouth region.

GPS Indicator 1.04: Avoidable hospitalisations are reduced.

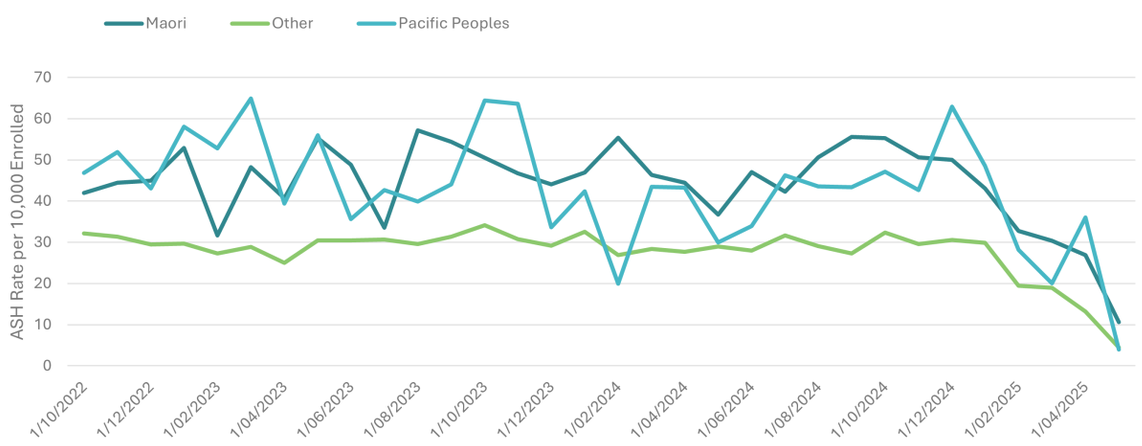
ASH rates for 0-4 year olds appear to be following an annual cycle with a first quarter peak followed by a gradual decline over the year. Of note are the continued disparities between Other, and Māori and Pacific children. This is consistent with National data showing that ASH rates in Aotearoa NZ remain significantly higher for Māori and Pacific communities compared to European/Other groups, reflecting longstanding inequities in primary care access and outcomes.

ASH Rate 0 - 4



The data below shows a somewhat intractable disparity in adult ASH rates between Māori and Pacific peoples, and 'Other' ethnicities. Again, consistent with national data showing that for adults aged 45–64, Māori ASH rates have consistently been more than double those of European/Other individuals, with Pacific rates similarly elevated (e.g., 7,085 and 8,175 per 100,000 versus 2,943 per 100,000 in 2023).

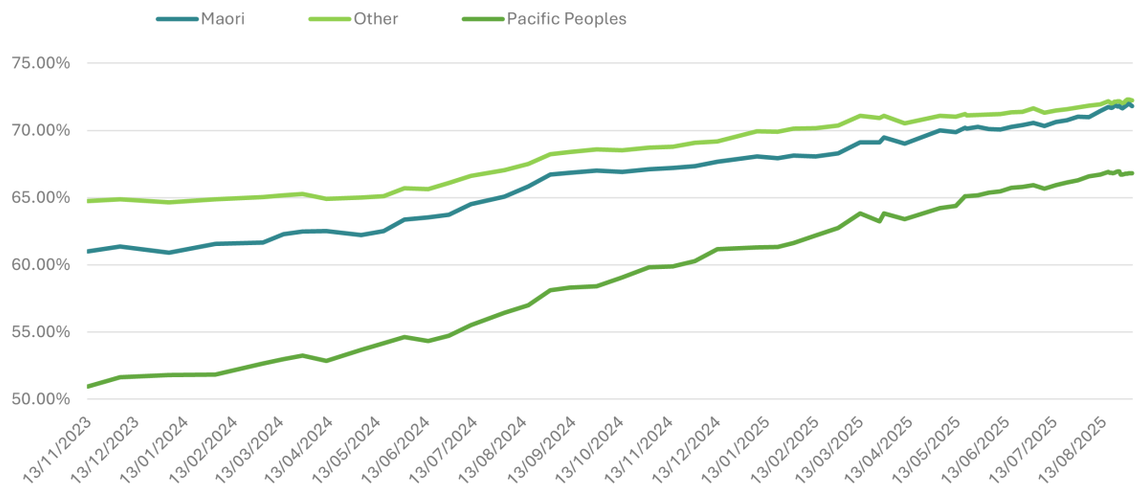
ASH Rates (25 - 74 Year Olds)



GPS Indicator 1.06: Improved cancer screening (cervical)

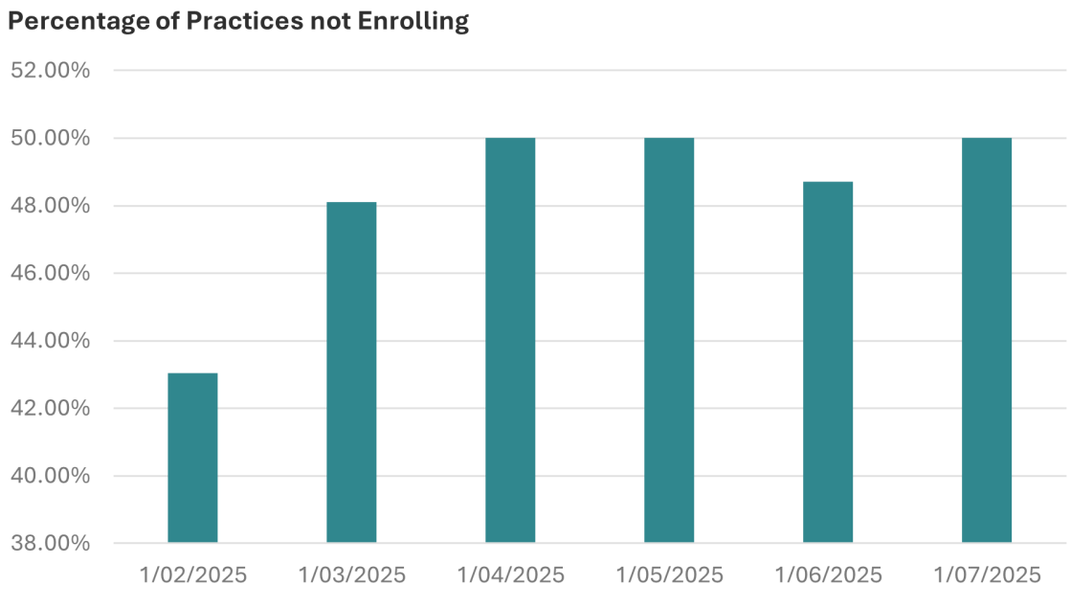
WellSouth's cervical screening coverage for wāhine aged 25–69 has shown consistent, sustained improvement across all ethnicities from early 2024 to mid-2025. Māori screening rates have increased steadily, now approaching parity with 'Other' ethnicities. Pacific peoples, who began from a significantly lower baseline, have achieved notable gains, narrowing the equity gap over 18 months. The latest data from Te Whatu Ora (mid-2025) shows WellSouth is outperforming national rates, particularly for Māori and Pacific women, which reflects the impact of equity-focused initiatives and targeted engagement.

Cervical Screening Rate (25 - 69 Year Olds)



GPS priority area 1. Access. Every person, regardless of where they live in New Zealand, has equitable access to the health care and services they need

Enrolment in general practice remains high in the Southern region, with 98% of the eligible population enrolled as 30 June 2025, despite population growth of approximately 4,000 people and static practice workforce levels. However, the proportion of WellSouth practices not enrolling new patients — either partially or fully — has steadily increased, reaching 50% by July 2025. This mirrors national trends, where nearly half of all practices across Aotearoa are similarly restricting enrolments.

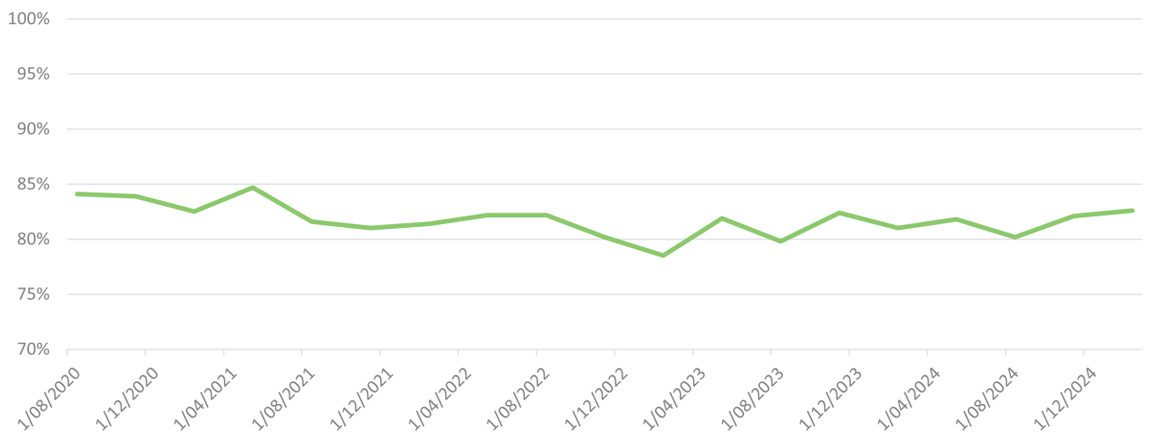


The Southern region's high enrolment coverage, nonetheless, reflects strong system responsiveness, effective use of provider networks, and PHO-led services such as Access and Choice, that are helping maintain access under constrained conditions. However, system vulnerability Is growing. Sustaining 98% enrolment with 50% of practices restricting access is precarious — particularly if population growth continues or workforce attrition worsens.

GPS Indicator 2.06: Faster access to primary and community health care services

The proportion of patients reporting that they could always access care from a GP or Nurse was higher than the national average of 79.1% and has remained relatively stable over time among WellSouth respondents.

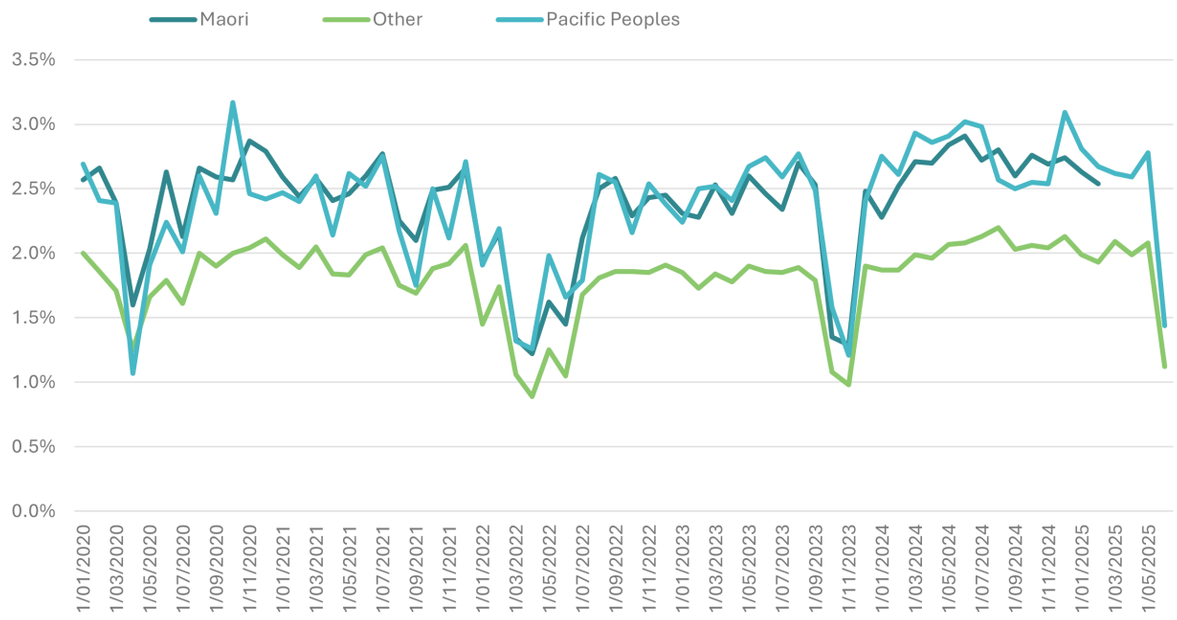
The percentage of WellSouth patients who say they can get care from a GP or Nurse when they need it



In the quarter ending February 2025, 78.8% of Māori and 81.0% of Pacific peoples and 84.3% of non-Māori, non-Pacific peoples reporting consistent access. Māori have generally reported lower access compared to other groups

Rates of emergency department (ED) attendance and access to primary care are inversely correlated; better access to primary care, including convenience, continuity of care, and extended opening hours, is associated with lower ED use, particularly for less severe conditions.

Percentage of the enrolled population attendeing ED



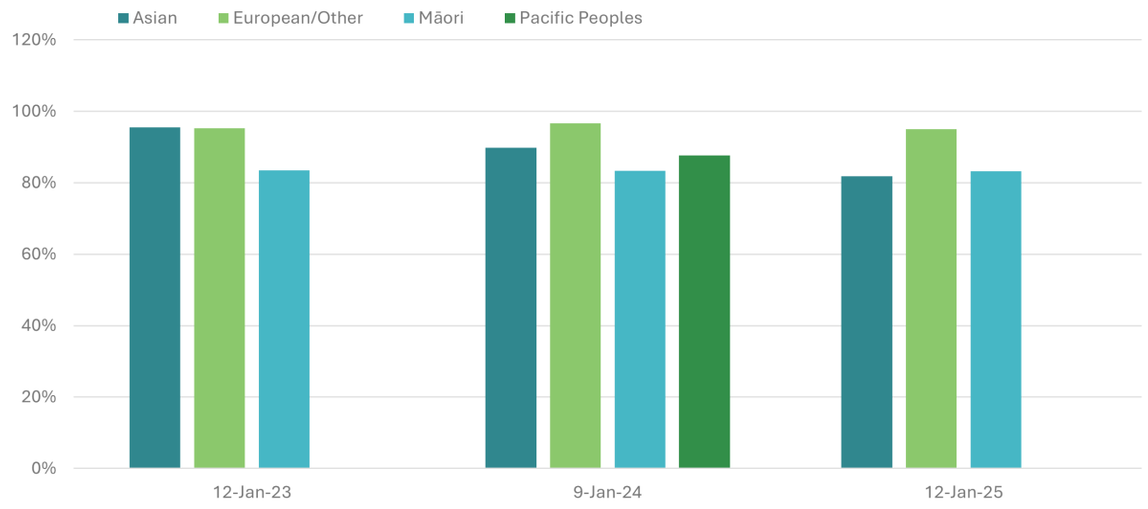
The data shows rates of ED use in the Southern region is stable but ethnic inequities persist. While the overall use is relatively low and steady, the continued disparity between Māori/Pacific and Others reflects access and equity issues still unresolved in primary care and after-hours services. Despite static general practice capacity, Southern's rates haven't risen — likely due to proactive initiatives (CPCT, HIP/Health Coaches, fracture liaison, etc.) absorbing some unmet need. Nationally, up to 40% of ED presentations are considered avoidable through better primary care access. Southern's containment suggests room for further reduction exists, particularly with targeted community-based interventions and urgent care access in rural areas.

Nationally younger adults (especially 15–24) are the fastest-growing ED user group, often with mental health concerns. Continued integration with Access & Choice and youth-specific MH support may help mitigate this in the WellSouth region.

GPS Indicator 3.05: Improved patient experience

Most respondents reported their cultural needs were met during their last consultation, though this has slightly decreased since this question was introduced in August 2021 There is a however a significant equity gap, Māori (84.1%) and Pacific peoples (76.9%) reporting lower rates than non-Māori, non-Pacific peoples (95.5%).

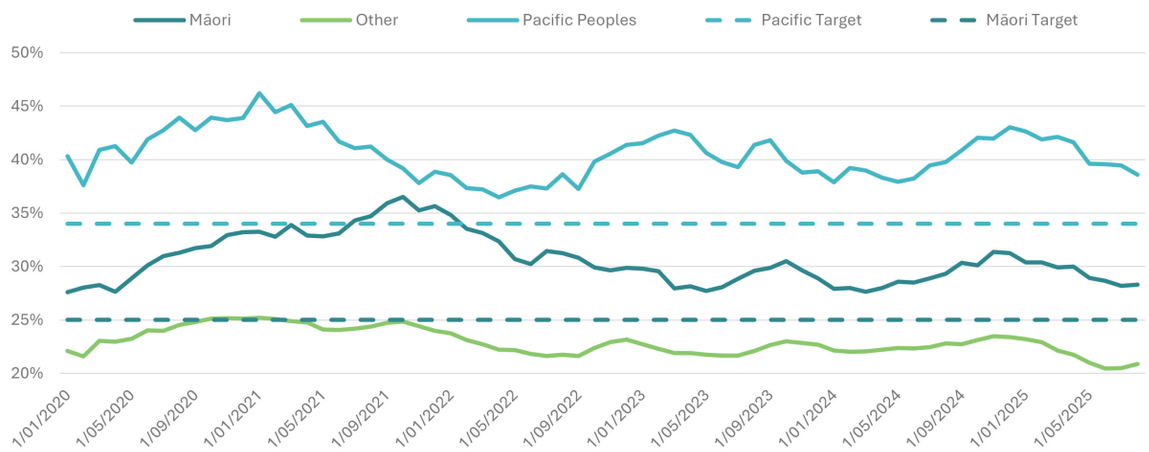
Percentage of people who felt their cultural needs were met



GPS Indicator: 7.01. Increased prevention and reduced impact of NCDs - diabetes

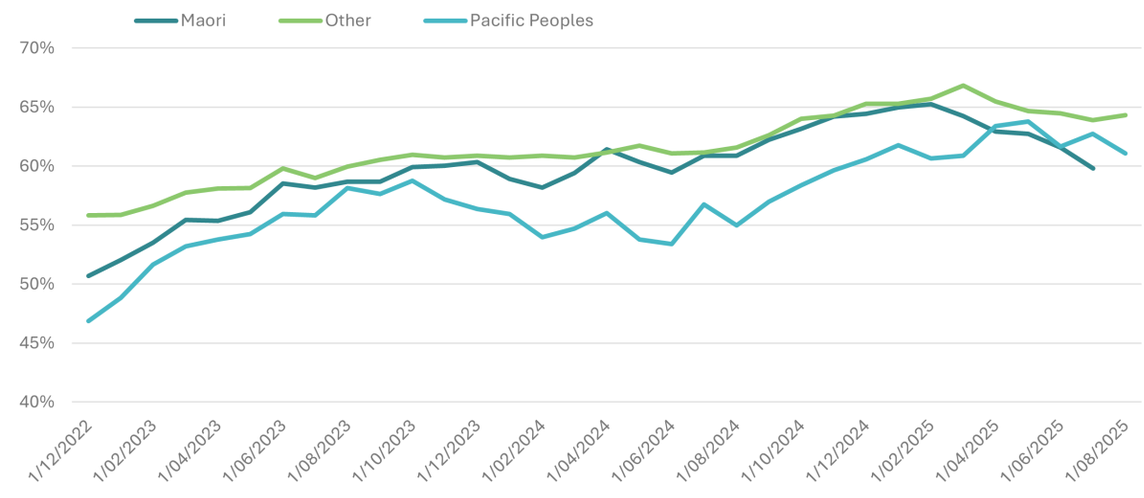
Reducing HbA1c levels significantly reduces the risk and impact of diabetes complications. The percentage of patients with diabetes with an HbA1c over 65 mmol/mol began a downward trend for all ethnicities from the beginning of 2025. This likely reflects an increase in the utilisation of diabetes focused clinical programmes and the focussed efforts of the Dietitian, Long Term Conditions and Pharmacy Teams to ensure patients are receiving optimal care.

Rate of HbA1c over 65mmol/mol (Type 2)



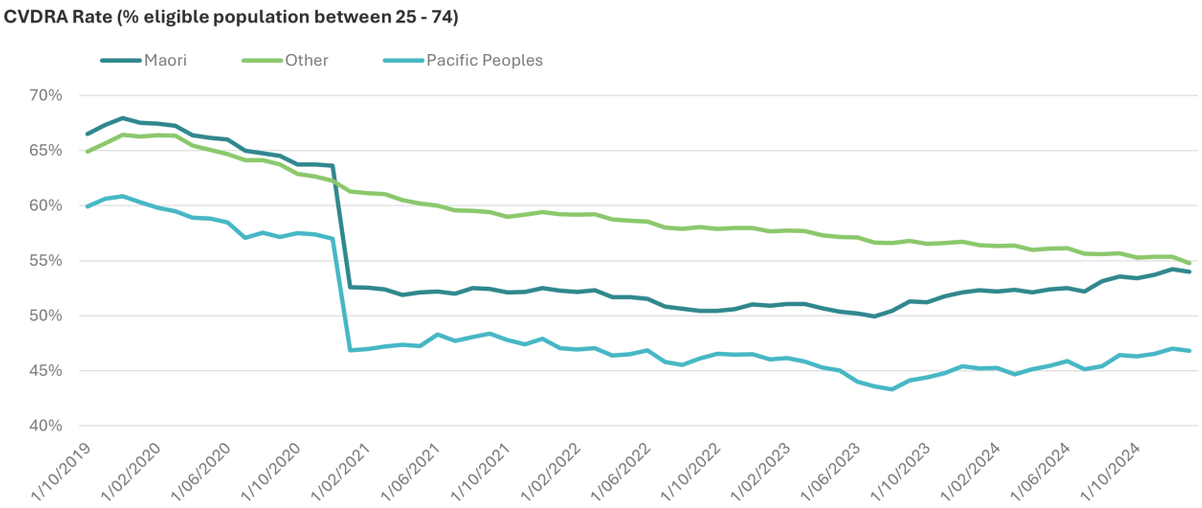
There was an increase in the rate of Diabetes Annual Reviews from mid-2024. This can in part be attributed to the work of the Long Term Conditions Team, more proactive recall work by Access and Choice Health Coaches and increased Thalamus 'Opportunities Dashboard' in use in Practices.

Diabetes Annual Review rate (% eligible population between 25 - 74)



GPS Indicator: 7.08. Increased prevention and reduced impact of NCDs – cardiovascular diseases.

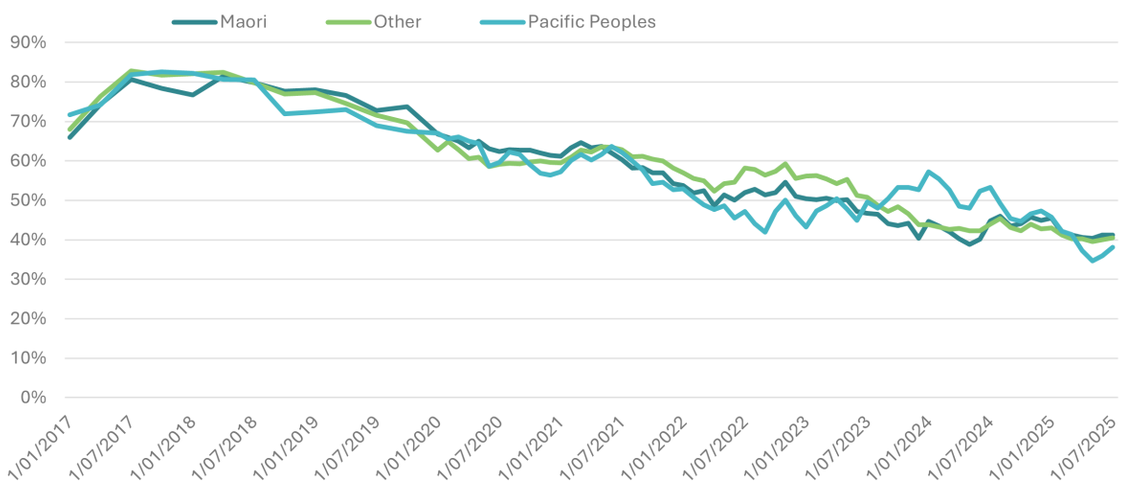
Cardiovascular Disease Risk Assessment (CVDRA) rates have been trending somewhat positively for Māori and Pacific peoples since mid-2023, however the same can't be said for 'Other' ethnicities. This likely represents the increased focus on cardiovascular health for Māori and Pacific peoples combined with the limited capacity for proactive care with general practice currently. Note the sharp decline in rates of Māori and Pacific CVDRAs in 2021 reflects a change in guidance that significantly increased the target Māori and Pacific cohort.



GPS Indicator: 8.06. Increased action on five modifiable risk factors (smoking).

Evidence shows providing brief advice to stop smoking from a healthcare professional significantly increases the likelihood of smokers attempting to quit and reduces smoking rates at a population level.

Smoking Brief Advice Rates (% current smokers between 17 - 24)



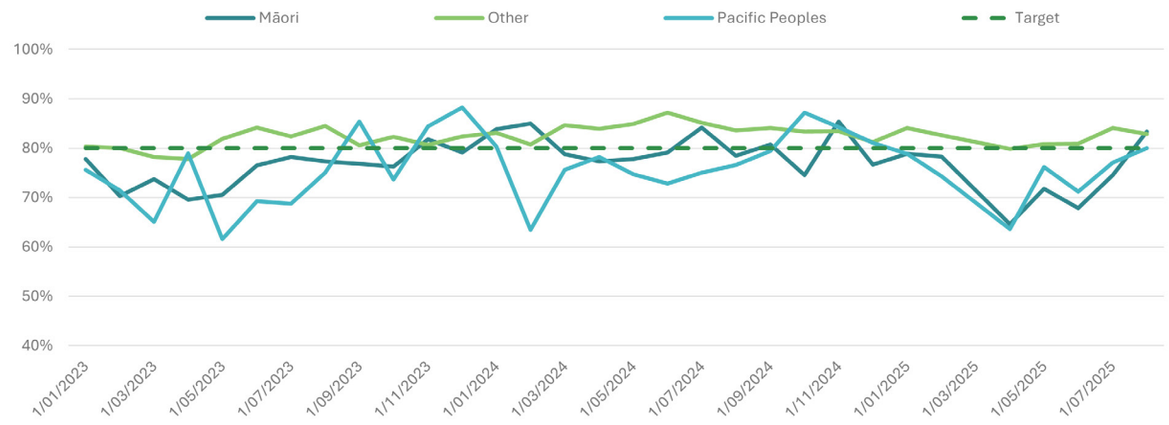
Recorded instances Smoking Brief Advice continued to decline over 2025. This decline began with the removal of the payment for recording this action in July 2017.

While anecdotal reports suggest smoking continues to be discussed but not coded in the patient record, other PHOs have higher recorded rates of achievement than WellSouth – we rank 30th out of 37 PHO groupings with the national average of 63.5%. While it is pleasing that there is a slightly higher rate now of smoking advice offered to Māori who smoke than to people of other ethnicity, there is much work still to do. We are currently reviewing our approach to supporting our practices in this area.

GPS Mental Health and addiction target: Faster access to Mental Health and addiction services.

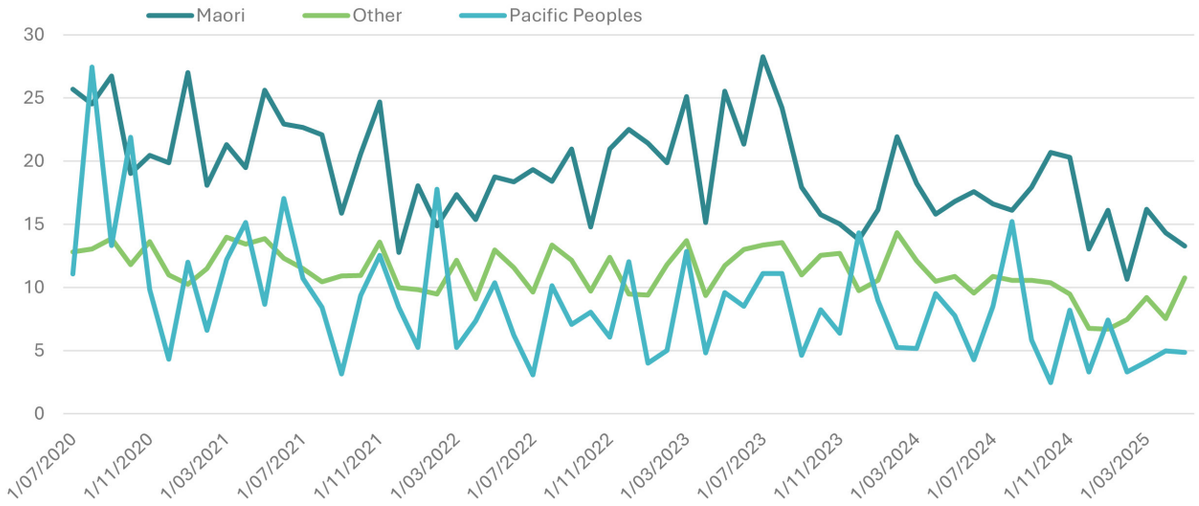
Target: 80% of people accessing primary mental health and addiction services through the Access and Choice programme are seen within one week.

Access and Choice % Patients Seen within 7 Days of Referral

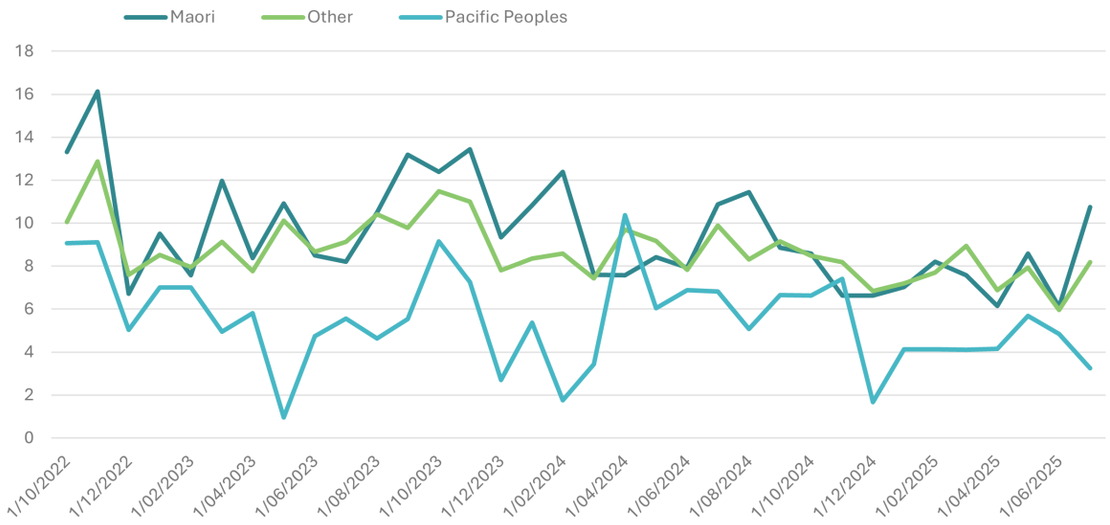


The Access and Choice service continues to perform close target in this area, although further work is required to ensure consistent access for Māori and Pacific patients. The data shows a decline in the seven day rate beginning in mid-2024 attributable to workforce retention and recruitment issues. The team has worked hard over the year to address these, and recent data shows an encouraging upward trend.

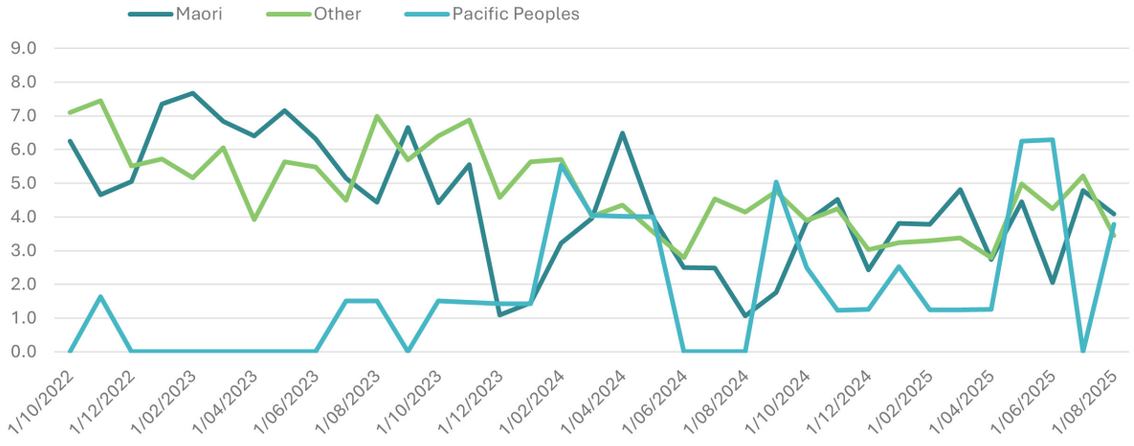
Secondary Mental Health Service utilisation (per 1000 enrolled 17 - 24 year olds)



Access and Choice encounter rate (per enrolled 17 - 24 year olds)



BIS Referrals (per 1000 enrolled 20 -24 year olds)



Primary mental health service engagement by the 17 – 24 cohort appears to be mirroring the subtle downward trend in secondary mental health service engagement. The cause of this is unknown but is consistent with recent monitoring by the Mental Health & Wellbeing Commission showing a decline in young people accessing mental health services over five years—despite growing need, particularly among Māori, Pacific, rainbow, and disabled youth groups.

DATA SOURCES

Adult Primary Care Patient Experience Survey

This national survey, administered quarterly by Te Whatu Ora, collects feedback from around 30,000 adults aged 15 years and over who have recently attended general practice. It measures patient experiences across domains such as communication, partnership, cultural safety, and access to care.

Aotearoa Immunisation Register (AIR)

The AIR is New Zealand's national digital platform for recording vaccinations across all age groups. Vaccination events are entered in real time by authorised providers (e.g. GPs, nurses, pharmacists, midwives, outreach teams) through secure, integrated systems. Records are linked to each person's NHI, with national data quality checks ensuring completeness and accuracy.

AIR data was used by WellSouth to calculate immunisation coverage rates for System Level Measures reporting.

Thalamus Dashboard

Developed by DataCraft Analytics, the Thalamus dashboard is WellSouth's central business-intelligence platform, integrating data from practice management systems, national collections, hospital datasets, and internal programme records. Automated feeds, standardised coding, and quality-assurance processes ensure consistent, comparable data across practices.

Thalamus data underpinned SSP metrics relating to enrolment coverage, service delivery, equity breakdowns, and progress against clinical targets.

Excluded Outcomes Framework targets

The Outcomes Framework includes four targets relating to the health of older people (65+); Percentage of people living in their own home, Rates of extreme polypharmacy, Rates of falls in the last 6 months and Rates of advanced care planning. These targets have not been reported on in this SSP as robust data is not currently available for the 2024/25 year

The Outcomes Framework also includes a target relating to the health of babies and younger children, Percentage of children living in smokefree households. This target has not been reported on in this SSP as up to date data is not currently available.

STATEMENT OF JUDGEMENTS

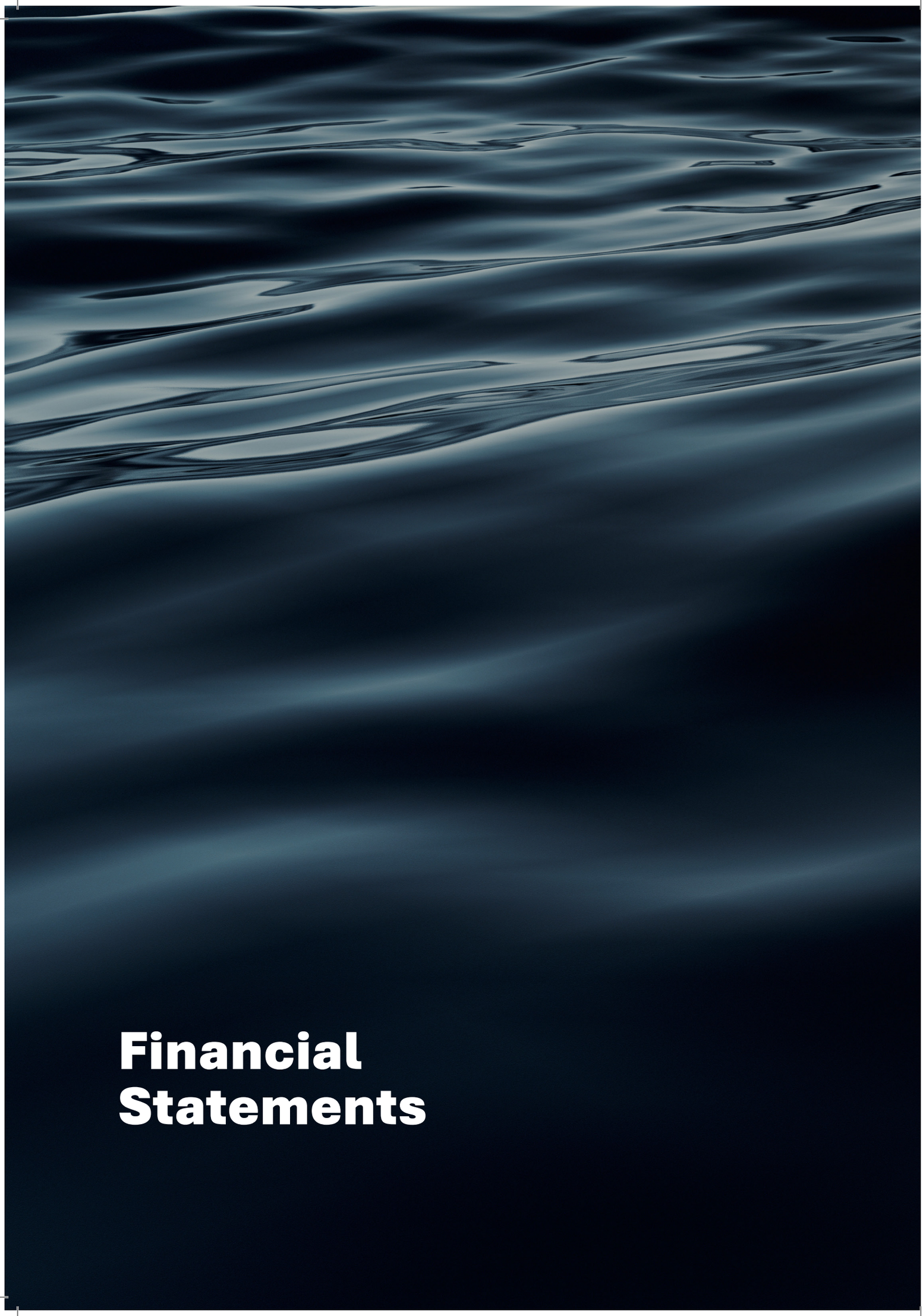
In preparing this Statement of Service Performance, WellSouth has chosen to highlight activities, outputs, and outcomes that most closely align with:

1. Our Core Purpose – to empower and support providers to deliver sustainable, accessible, equitable quality care to Southern communities.

2. The WellSouth Clinical Governance Group's Outcomes Framework – which provides a clear structure for measuring and reporting on our impact.

These criteria have guided both the selection of the service areas featured and the way results are presented. Programmes and initiatives included in the SSP demonstrate a direct contribution to improved health outcomes, equity, access, and system sustainability. Where possible, reporting has focused on services with robust monitoring, meaningful performance data, and tangible results for practices, providers, and communities.

Some areas of WellSouth's work are not specifically highlighted in this SSP. These activities are primarily enabling functions — essential to the success of our frontline services but less visible in direct clinical outputs. Examples include corporate services, IT, finance, general administration, and internal organisational development. While these functions underpin the delivery of all programmes, they have been excluded from detailed reporting here to maintain focus on those activities most directly experienced by providers and patients.



Financial Statements

WellSouth Primary Health Network

Statement of financial responsibility for the year ended 30 June 2025

The Trustees are responsible for preparing the financial statements, ensuring that they comply with generally accepted accounting practice in New Zealand, and fairly reflect the financial position of the Trust as at 30 June 2025 and the results of their operations and cashflows for the year ended on that date.

The Trustees consider that the financial statements of the Trust have been prepared using appropriate accounting policies, that these have been consistently applied and supported by reasonable judgements and estimates, and that all relevant financial reporting and accounting standards have been followed.

The Trustees believe that proper accounting records have been kept which enables the determination of the financial position of the Trust with reasonable accuracy, and facilitates compliance with generally accepted accounting practice in New Zealand.

The Trustees consider that they have taken adequate steps to safeguard the assets of the Trust, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide a reasonable assurance as to the integrity and reliability of the financial statements.

The Trustees are pleased to present the financial statements of the WellSouth Primary Health Network Trust for the year ended 30 June 2025.

Dr Doug Hill, Chair	Trustee	11 November 2025 Date
Nigel O'Rorke, Finance, Audit and Risk Committee Chair	Trustee	11 November 2025 Date

WellSouth Primary Health Network

Statement of comprehensive revenue and expense for the year ended 30 June 2025

	Notes	2025	2024
Revenue			
Revenue from non-exchange transactions	4	128,139,544	118,255,635
Expenses			
Payments to service providers		(106,511,185)	(98,750,201)
Personnel expenses	5	(17,058,317)	(16,171,982)
Other operating expenses	6	(4,635,941)	(4,391,093)
Depreciation expense and loss on disposal of assets	9	(148,962)	(302,383)
Total expenses		(128,354,406)	(119,615,660)
Surplus/(deficit) before net financing costs and share of equity accounted investees		**(214,862)**	**(1,360,025)**
Interest income - financial assets at amortised cost		285,879	201,476
Interest on borrowings - financial liabilities at amortised cost		-	(397)
Share of surplus/(deficit) for the year of equity-accounted investees	18	-	(512,228)
Surplus/(deficit) for the year		**71,017**	**(1,671,173)**
Other comprehensive revenue and expense		-	-
Total comprehensive revenue and expense for the year		**71,017**	**(1,671,173)**

These statements should be read in conjunction with the notes to the financial statements.

BDO INVERCARGILL

WellSouth Primary Health Network

Statement of changes in net assets/equity for the year ended 30 June 2025

	Accumulated revenue and expense	Total net assets/equity
Balance as at 1 July 2023	6,659,433	6,659,433
Total comprehensive revenue and expense for the year	(1,671,173)	(1,671,173)
Balance at 30 June 2024	4,988,260	4,988,260
Total comprehensive revenue and expense for the year	71,017	71,017
Balance at 30 June 2025	**5,059,277**	**5,059,277**

These statements should be read in conjunction with the notes to the financial statements.

WellSouth Primary Health Network

Statement of financial position as at 30 June 2025

	Notes	2025	2024
Equity			
Accumulated trust funds		5,059,277	4,988,260
Total equity		**5,059,277**	**4,988,260**
Assets			
Current assets			
Cash and cash equivalents	7	8,177,620	5,047,759
Investments - term deposits		-	3,000,000
Receivables from non-exchange transactions	8	3,395,773	6,336,101
Prepayments and other assets		234,149	82,083
Total current assets		11,807,542	14,465,943
Non current assets			
Equity-accounted investees	18	472,639	142,760
Property, plant and equipment	9	614,593	491,173
Total non current assets		1,087,232	633,933
Total assets		**12,894,774**	**15,099,876**
Liabilities			
Current liabilities			
Payables from exchange transactions	10	2,236,546	2,862,684
Goods & services tax payable		150,924	275,126
Employee benefits liability	11	1,509,627	1,374,634
Deferred revenue	12	3,938,400	5,599,172
Total current liabilities		7,835,497	10,111,616
Total liabilities		**7,835,497**	**10,111,616**
Net assets/equity		**5,059,277**	**4,988,260**

These statements should be read in conjunction with the notes to the financial statements.

BDO INVERCARGILL

WellSouth Primary Health Network

Statement of cash flows
for the year ended 30 June 2025

	Notes	2025	2024
Cash flows from operating activities			
Cash receipts from grants, donations and other funding		129,419,101	121,791,652
Interest received		285,879	201,476
Interest paid		-	(397)
Payments to suppliers for goods and services		(111,925,331)	(102,964,589)
Payments to and behalf of employees		(16,923,324)	(16,171,982)
GST (net)		(124,202)	161,655
Net cash inflow from operating activities	13	**732,123**	**3,017,815**
Cash flows from investing activities			
Payments for property, plant and equipment		(272,382)	(116,283)
Payments for acquisition of investments (net)		3,000,000	(3,000,000)
Payments for acquisition of equity-accounted investees		(329,879)	(455,000)
Net cash inflows/(outflows) from investing activities	13	**2,397,739**	**(3,571,283)**
Net increase/(decrease) in cash and cash equivalents	13	**3,129,862**	**(553,468)**
Cash and cash equivalents at the beginning of the year		5,047,759	5,601,227
Cash and cash equivalents at the end of the year	7	**8,177,620**	**5,047,759**

These statements should be read in conjunction with the notes to the financial statements.

Notes to the financial statements for the year ended 30 June 2025

1 Reporting entity

WellSouth Primary Health Network Trust (the "Trust") is a charitable organisation, domiciled in New Zealand, which is incorporated under the Charitable Trusts Act 1957, registered under the Charities Act 2005, and is subject to New Zealand law. The primary activity of the Trust is the provision and enhancement of primary health care in Otago and Southland. The Trust, until 7 October 2014, was known as the Southern Primary Health Organisation.

The Trust has been established to carry on activities for the exclusive benefit of charitable purposes within New Zealand.

The financial statements were authorised for issue by the Trustees on 11 November 2025.

2 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Not for Profit Public Benefit Entity Accounting Standards (PBE Standards (NFP)).

The Trust is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

The Trust has prepared the financial statements in accordance with Tier 1 PBE Standards (Not-For-Profit).

(b) Presentation currency

The financial statements are presented in New Zealand dollars, which is the Trust's functional currency. All numbers presented have been rounded to the nearest dollar, unless otherwise stated.

(c) Basis of measurement

The financial statements have been prepared on a historical costs basis.

(d) Changes in accounting policies

The Trust has adopted the Amendments to PBE IPSAS 1 Disclosure of Fees for Audit Firms' Services which require the Trust to provide greater transparency and consistency in disclosing fees paid to their audit firm for different services with specific categorisation of fees and description of the services provided. There have been no other changes in accounting policies during the financial year apart from those newly adopted as disclosed within 3 (b) and (h).

(e) Critical accounting estimates and assumptions

The preparation of financial statements in conformity with PBE standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Where material, information on significant judgements, estimates and assumptions is provided in the relevant accounting policy or note disclosure.

The estimates and underlying assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances. Estimates are subject to ongoing review and actual results may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected. In preparing these financial statements, the Trustees made no significant estimates, assumptions, or judgements in relation to significant accounting policies apart from accounting policies for capitation income disclosed within 3(e).

(f) Goods and services tax (GST)

The organisation is registered for GST.
All amounts are stated exclusive of goods and services tax (GST) except for accounts payable and accounts receivable which are stated inclusive of GST.

3 Significant accounting policies

The significant accounting policies used in the preparation of these financial statements, set out below, have been applied consistently to all years presented in these financial statements.

(a) Accounting for associates/equity accounted investees

Associates are those entities over which the Trust is able to exert significant influence but no control over the financial or operating policies. Investments in associates are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Trust's share of the surplus or deficit on the associate after the date of acquisition.

The Trust generally deems it has significant influence over another entity when it has over 20% of the voting rights.

The Trust's share of the associate's surplus or deficit is recognised in the surplus or deficit, and its share of movements in other comprehensive revenue is recognised in other comprehensive revenue. The cumulative movements are adjusted against the carrying amount of the investment.

The Trust determines at each reporting date whether there is any objective evidence that the associate investment is impaired. If this is the case the Trust calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount of the "share of surplus/(deficit) for year of equity accounted investees" in the Statement of Comprehensive Revenue and Expense.

(b) Financial instruments

Financial instruments are comprised of receivables from non-exchange transactions, prepayments, and payables from exchange transactions.

Financial assets and financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Recognition and de-recognition of financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the financial instrument.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Trust's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred not retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, waived, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the surplus or deficit.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Trust has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset or settle the liability simultaneously.

Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them. With the exception of short-term receivables and payables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus transaction costs.

In order for a financial asset to be classified and measured at amortised cost it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus of deficit, irrespective of the business model. The Trust's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date, which are included in non-current assets. After initial recognition, are subsequently measured at amortised cost using the effective interest method (EIR) and are subject to impairment. Gains and losses are recognised in surplus or deficit when the asset is derecognised, modified, or impaired. The Trust's cash and cash equivalents, term deposit investments and receivables from non-exchange transactions are categorised as financial assets at amortised cost.

Expected credit losses

The allowance for expected credit losses (ECL) assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent service experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Financial liabilities

Financial liabilities at amortised cost are classified, at initial recognition and include payables from exchange transactions.

After initial recognition, payables are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of financial performance.

(c) Operating leases

Payments made under operating leases are recognised in the reported surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

(d) Impairment

Non-financial assets

At each reporting date, the carrying amounts of tangible assets are reviewed to determine whether there is any indication of impairment. If any such indication exists for an asset, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Impairment loss

An impairment loss is recognised whenever the carrying amount of an asset exceeds it's recoverable amount. Impairment losses directly reduce the carrying amount of assets and are recognised in the reported surplus or deficit.

The estimated recoverable amount of an asset is the greater of their fair value less costs to sell and value in use. Value in use is determined by estimating future cash flows from the use and ultimate disposal of the asset and discounting to their present value using a pre-tax discount rate that reflects current market rates and risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Other impairment losses are reversed when there is a change in the estimates used to determine the recoverable amount. All other impairment losses are reversed through the reported surplus or deficit.

(e) Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of consideration received. The Trust assesses its revenue arrangements against specific criteria to determine if it is acting as the principal or agent in a revenue transaction. The Trust is acting as the principal in all its revenue arrangements and therefore revenue earned is recognised as gross revenue in the Statement of Comprehensive Revenue and Expense.

The following specific recognition criteria must be met before revenue is recognised:

Revenue from non-exchange transactions

A non-exchange transaction is where the Trust either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

When non-exchange revenue is received with conditions attached, the asset is recognised with a matching liability. As the conditions are satisfied the liability is decreased and revenue recognised.

When non-exchange revenue is received with restrictions attached, but no requirement to return the asset if not deployed as specified, then revenue is recognised on receipt.

Condition stipulation – funds received are required to be used for a specific purpose, with a requirement to return unused funds.

Restriction stipulation – funds received are required to be used for a specific purpose, with no requirement to return unused funds.

Deferred revenue

To the extent that there is a condition attached that would give rise to a liability to repay funding or to return a granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then recognised only once the Trust has satisfied these conditions.

Interest income

Interest income is recognised as it accrues, using the effective interest method.

(f) Employee Benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in surplus or deficit in the periods during which services are rendered by employees. For the Trust, the defined contribution plan is KiwiSaver.

Short-term employee benefits

Short-term employee benefit liabilities are recognised when the Trust has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date. Short-term employee benefits are measured on an undiscounted basis and expensed in the period in which employment services are provided.

(g) Income tax

Due to its charitable status, the Trust is exempt from income tax.

(h) Property, plant and equipment

Recognition and measurement

Property, plant and equipment are initially measured at cost, subsequently measured in accordance with the cost model. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any gain or loss on disposal of a property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in surplus or deficit. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Trust. Ongoing repairs and maintenance are expensed as incurred.

Depreciation

For plant and equipment, depreciation is based on the cost of an asset less its residual value, and for buildings is based on the revalued amount less its residual value. For significant components of individual assets that have a useful life that is different from the remainder of those assets, those components are depreciated separately. Depreciation is recognised in surplus or deficit on a diminishing value basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are:

- plant and equipment 33% (2024: 33%)
- furniture and fittings 25% (2024: 25%)

Depreciation methods, useful lives, and residual values are reviewed at reporting date and adjusted if appropriate.

The Trust has changed its accounting policy to better provide faithful representation and more relative information for the readers. The adoption of this new policy is not expected to have a material effect on the financial statements for the current and subsequent periods.

(i) Accounting standards issued not yet effective

The following standard has been issued which is required to be adopted for accounting periods which begin on or after 1 January 2026: PBE IPSAS 1 Presentation of Financial Reports. This standard looks to clarifying the principles for classifying a liability as current or non current and therefore could impact the Trust's classification between the two liability classes. The Trust has not yet assessed the effect of the new standard but plans to adopt it in the next reporting period beginning 1 July 2026.

4	**Revenue from non-exchange transactions**	**2025**	**2024**
	Funds from service contracts	127,519,360	117,983,528
	Other revenue	620,184	272,107
	Total revenue from non-exchange transactions	**128,139,544**	**118,255,635**

5	**Personnel expense**	**Note**	**2025**	**2024**
	Salary and wages		15,953,541	15,038,904
	Employer contribution on KiwiSaver		455,193	440,575
	Training and professional development		165,700	209,245
	Trustee fees	18	292,531	308,916
	Other personnel costs		191,352	174,342
	Total personnel expenses		**17,058,317**	**16,171,982**

6	**Other operating expenses**	**2025**	**2024**
	Audit fees		
	BDO Invercargill - for the audit of the financial statements (2025)	*35,000*	-
	Findex/Crowe - for the audit of the financial statements (2024 and 2023)	*51,500*	*51,949*
	Digital operations	2,118,523	2,026,972
	Motor vehicle operating lease	414,719	281,607
	Professional services	184,514	126,786
	Property	716,677	670,098
	Travel	531,857	598,159
	Other expenses	583,151	635,523
	Total other operating expenses	**4,635,941**	**4,391,094**

7	**Cash and cash equivalents**	**2025**	**2024**
	Cash held in operating account	2,379,231	1,059,699
	Cash held in on-call savings account	1,798,389	3,988,059
	Term deposits held for three months or less	4,000,000	
	Total cash and cash equivalents	**8,177,620**	**5,047,759**

The carrying amount of cash and cash equivalents approximates their fair value.

The cash operating account does not earn interest.

The cash on-call account had an interest rate of 2.3% at reporting date (2024: 4.5%).

The cash in term deposits held for three months or less had an interest rate of 3.55% at reporting date.

There are no restrictions over any cash or cash equivalent balances held by the Trust.

Trade debtors			
Other receivables		275,488	611,373
Related party receivables	18	162,422	-
Total receivables non-exchange transactions		**3,395,773**	**6,336,101**

Trade debtors and other receivables are non-interest bearing. Therefore the carrying value of trade debtors and other receivables approximates its fair value.

As at 30 June, all overdue receivables have been assessed for impairment and appropriate allowances made (if any). Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (nil).

Ageing analysis of trade debtors	**2025**	**2024**
0-30 days (not past due)	2,918,633	5,504,062
31 - 60 days	-	-
61- 90 days	3,244	-
Greater than 90 days	35,986	220,666
Total past due	39,230	220,666
Less impairment	-	-
Total trade debtors	**2,957,863**	**5,724,728**

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

9 Property, Plant and Equipment

Cost	**Plant & equipment**	**Fixtures & fittings**	**Total**
Balance 1 July 2023	1,758,883	628,011	2,386,894
Additions	66,815	49,468	116,283
Disposals	(120,124)	(34,842)	(154,967)
Balance 30 June 2024	1,705,574	642,637	2,348,210
Additions	222,938	49,444	272,382
Disposals	(7,049)	(5,340)	(12,388)
Balance 30 June 2025	**1,921,463**	**686,741**	**2,608,204**
Accumulated depreciation and impairment			
Balance 1 July 2023	1,430,086	279,535	1,709,621
Depreciation expense	154,491	17,126	171,616
Elimination on disposal	(23,606)	(595)	(24,201)
Balance 30 June 2024	1,560,972	296,065	1,857,037
Depreciation expense	122,865	22,575	145,440
Elimination on disposal	(5,997)	(2,869)	(8,866)
Balance 30 June 2025	**1,677,839**	**315,772**	**1,993,611**
Carrying amounts			
At 30 June 2023	328,796	348,476	677,273
At 30 June 2024	144,602	346,571	491,173
At 30 June 2025	**243,624**	**370,969**	**614,593**

10 Payables from exchange transactions

	2025	**2024**
Trade creditors	1,958,362	2,482,213
Non trade payables and accrued expenses	278,184	380,471
Total trade creditors and other payables	**2,236,546**	**2,862,684**

Trade creditors and other payables are non-interest bearing and normally settled on 30 day terms; therefore their carrying amount approximates their fair value.

11 Employee benefits liability

	2025	**2024**
Employee entitlements	1,509,627	1,374,634
Total employee benefits liability	**1,509,627**	**1,374,634**

12 Deferred revenue

	2025	**2024**
Revenue in advance (non-exchange transactions)	3,938,400	5,599,172
Total deferred revenue	**3,938,400**	**5,599,172**

The Trust receives funding for the delivery of health services. Subject to conditions and where agreed, where delivery of these services has not yet been completed at reporting date, unexpended funding (for which a return obligation exists) is recognised as revenue in advance and is expected to be recognised within the next 12 months.

13 Reconciliation of net cash flows from operating activities to surplus/(deficit)	2025	2024
Surplus/(deficit)	71,017	(1,671,173)
Add/(deduct) non- cash items		
Depreciation, loss on sale, amortisation and impairment	148,962	302,383
Share of surplus/(deficit) for the year of equity-accounted investees	-	512,228
Add/(deduct) movements in statement of financial position		
(Increase)/decrease in receivables from non-exchange transactions	1,279,557	(1,050,158)
Increase/(decrease) in prepayments and other assets	(152,066)	11,406
Increase/(decrease) in payables from exchange transactions	(626,138)	4,550,333
Increase/(decrease) in goods & services tax payable	(124,202)	161,655
Increase/(decrease) in employee benefits liability	134,993	201,141
Net cash flow from operating activities	**732,123**	**3,017,815**

14 Operating leases	2025	2024
Future minimum lease payments under non-cancellable leases		
No later than one year	808,353	798,632
Later than one and not later than five years	1,874,850	2,197,515
Later than five years	-	2,010,866
Total operating lease commitments	**2,683,203**	**5,007,013**

The Trust leases offices, motor vehicles and equipment under operating leases. The vehicle leases typically run for 45 months with no right to purchase. The office leases run for a range of terms ranging from 1 to 5 years with no right to purchase. There are no restrictions on the use of the leased offices. The principal office lease has a right a right of renewal of two terms of 5 years each. The rent paid to the landlord(s) is adjusted to market rentals at regular intervals, the Trust does not have an interest in the residual value of the buildings. As a result, it was determined that substantially all of the risks and rewards of the buildings are with the landlord(s).

Post balance date a new lease for 65 Don Street, Invercargill commenced 1 August 2025 (refer to Note 21).

15 Financial instruments

The tables below show the carrying amount and fair values of the Trust's financial assets and financial liabilities.

Financial assets (measured at amortised cost)	Note	2025	2024
Cash and cash equivalent	7	8,177,620	5,047,759
Investments - term deposit	7	-	3,000,000
Receivables from non-exchange transactions	8	3,395,773	6,336,101
Total financial assets (measured at amortised cost)		**11,573,393**	**14,383,860**

Financial liabilities (measured at amortised cost)		2025	2024
Payables from exchange transactions	10	2,236,546	2,862,684
Total financial liabilities (measured at amortised cost)		**2,236,546**	**2,862,684**

16 Financial risk management

(i) Overall risk management framework

The Board of Trustees is responsible for overseeing the Trust's risk management framework.

A monthly finance review is completed by the Chief Financial Officer, with oversight completed by the Senior Leadership team monitoring of the financial controls and risk through monthly reporting. These reports and comments are reported through to the Finance, Audit & Risk Board subcommittee and subsequently the Board, ensuring all financial policies are robust in support of the cause. Legislative compliance and specific procedures and policies are annually reviewed by the Board and recorded.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Trust if a customer or counter-party to a financial instrument fails to meet its contractual obligations. The Trust is exposed to credit risk from its financial assets, including cash and cash equivalents and receivables from non-exchange transactions.

The carrying amount of the financial assets represent the Trust's maximum exposure to credit risk.

Cash and cash equivalents	Value of Funds held		% of cash funds held	
Financial Assets (measured at amortised cost)	**2025**	**2024**	**2025**	**2024**
ASB	6,379,231	1,059,699	78%	21%
Kiwibank	1,798,389	3,988,059	22%	79%
Total cash and cash equivalents with financial institutions	8,177,620	5,047,759		

The Trust considers its cash and cash equivalents have low credit risk based on the external credit ratings of the counter-parties. These are considered investment grade. The amount of impairment allowance as at 30 June 2025 is nil (2024: nil).

Receivables from non-exchange transactions
Trade debtors: the Trust terms of trade require payment 30 days from the date of invoice, except for transactions with Health NZ or other Government entities as they have satisfied the Trust's internal creditworthiness requirements.

The Trust's exposure to credit risk is influenced by the specific individual characteristics of each counter-party within the different sub-class of receivables presented in Note 8.

Expected credit loss assessment
The Trust allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk loss and applying experienced credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. Based on the predictive risk loss that the Trust's receivables from non-exchange transactions balance is 99.5% made up of receivables from Te Whatu Ora/Health NZ (Government entity), and applying experienced credit judgment, there is no expected credit loss allowance.

At reporting date, the maximum exposure to credit risk for trade debtors from non-exchange transactions is detailed in the table below:

	Credit Risk	Weighted avg. loss rate	Gross carrying amount ($)	ECL allowance	Credit impaired
30-Jun-25	Low risk	0%	2,957,863	$0	No
30-Jun-24	Low risk	0%	5,724,728	$0	No

As an internal managment policy the Trustees have requested $2.5m of cash be held on hand to cover three months operating expenses in the event that Health New Zealand does not pay its invoices on time.

Related Party Receivables
The Trust has provided a loan which is non-interest bearing to The Dunedin After Hours Doctors Limited. The loan is secured by way of a registerable security interest over the assets of The Dunedin After Hours Doctors Limited. The carrying amount of advances to related parties represent the maximum exposure to credit risk. There are no amounts overdue nor impaired at year end.

(iii) Liquidity risk
Liquidity risk arises from the Trust's management of working capital. It is the risk that the Trust will encounter difficulty in meeting its financial obligations as they fall due.

The Trust ensures that maturity profile of its short-term liquid financial assets (such as cash and cash equivalents and trade debtors from non-exchange transactions) is sufficient to meet the contractual cash flow obligations of its financial liabilities.

Undiscounted contractual cash flows (principal and interest)

Non-derivative financial liabilities	**0-1 months**	**1-3 months**	**3-12 months**	**12-60 months**	**Total amount**	**Carrying amount**
Payables from exchange transactions	1,944,045	13,803	514	-	1,958,362	1,958,362
	1,944,045	13,803	514	-	1,958,362	1,958,362

(iv) Market risk
Market risk arises from the Trust's use of financial instruments that are interest bearing. Specifically, market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk).

Interest rate risk
The Trust is exposed to interest rate risk in respect of its fixed interest rate financial assets. The Trust manages this risk by ensuring funds are placed with two separate New Zealand trading banks and held in a mix of on-call and short term(90 day) term deposits accounts.

Trust's exposure to interest risk	Value of funds held		Weighted average interest rate	
Financial Assets (measured at amortised cost)	**2025**	**2024**	**2025**	**2024**
Cash and cash equivalents	8,177,620	5,047,759	3.55%	
Current investments - term deposits		3,000,000		5.85%
Net exposure to interest risk	8,177,620	8,047,759		

Sensitivity analysis
The following sensitivity analysis is based on the interest rate risk exposures in existence at reporting date.

If interest rates had been 1% (100 basis points) higher/lower, with all other variables held constant, the impact on the Trust's surplus/(deficit) for the year and net assets/equity would have been as follows;

	Surplus or deficit		Net assets/equity	
	2025	**2024**	**2025**	**2024**
Interest rate increase of 1%	152,793	(1,590,696)	5,141,053	5,068,738
Interest rate decrease of 1%	(10,759)	(1,751,651)	4,977,501	4,907,782

17 Capital management

The Trust's capital is its Equity, which comprises accumulated revenue and expenses. Equity is represented by net assets.

The Trust manages its Equity prudently as part of a process of effectively managing its revenues, expenditure, assets, liabilities and all related financial affairs. In order to ensure that the Trust achieves all charitable objectives and purposes, the Trust has a Board of Trustees that actively controls and monitors progress of plans and activities against financial and service key performance indicators. The Trust is not currently subject to any externally imposed capital requirements.

18 Equity-accounted investments

The Trust holds significant influence over the following entities, all of which are accounted for using equity method. All associates have the same reporting date as the Trust, being 30 June. There are no significant restrictions regarding the distribution of dividends or repayments of loans from associates.

Te Hau o Te Ora LP

Management determined that the Trust had only significant influence, and not control, over Te Hau O Te Ora Limited Partnership (the LP) even though the Trust is contractually able to appoint up to two Board members holding 50% of the vote (at all times). This is a result of the Trust, being a Limited Partner, restricted to take part in the management or control of the business and affairs of the LP and therefore has no ability to direct activities and benefit from the company. The LP is domiciled in New Zealand. The LP has not met the definition of an investment entity. The LP's business is to provide comprehensive, quality primary health care services for individuals, their families and the community physically located in Invercargill and Mataura.

The Trust has the following investment in Te Hau o Te Ora LP (an associate). The below financial information, as included in Te Hau O Te Ora's own financial statements, summarises the financial investment of WellSouth and are adjusted for differences in accounting policies and reconciles the summarised financial information to the carrying amount of the Trust's interest in the associate.

Name	Principal Activity	Country of incorporation	Interest in Associate 2025	2024
Te Hau O Te Ora Limited Partnership	Primary care services	New Zealand	50%	50%

	2025	2024
Percentage of ownership interest	**50%**	**50%**
Current assets	510,703	364,718
Non-current assets	101,223	86,014
Current liabilities	(469,164)	(307,945)
Non-current liabilities	-	(25)
Trust's share of net assets (50%)	**142,761**	**142,762**
Carrying amount of interest in associate	**142,761**	**142,762**
Revenue	1,307,111	975,621
Surplus/(deficit) from continuing operations	-	(512,228)
Other comprehensive revenue and expenses	-	-
Trust's share of total comprehensive revenue and expense (50%)	-	**(512,228)**

There were no contingent liabilities or assets relating to the Trust's interest in Te Hau o Te Ora Limited Partnership (2024: nil).

There were no capital commitments relating to the Trust's interest in Te Hau o Te Ora Limited Partnership (2024: nil).

The Dunedin After Hours Doctors Limited

The Trust has the following investment in The Dunedin After Hours Doctors Limited (an associate). The below financial information, as included in The Dunedin After Hours Doctors Limited's own financial statements, summarises the financial investment of WellSouth and are adjusted for differences in accounting policies and reconciles to the carrying amount of the Trust's interest in the associate.

Management determined that the Trust had only significant influence, and not control, over The Dunedin After Hours Doctors Limited (the Company) even though the Trust is contractually able to appoint up to three Board members holding 50% of the vote (at all times). The Trust has no ability to direct activities and benefit from the activities of the Company. The Company is a Limited Company domiciled in New Zealand. The Company has not met the definition of an investment entity. The Company, in collaboration with the Trust, through it's operation the Company is working to design, fund, and progressively improve after-hours and urgent care services that meet the respective obligations of both the shareholders to provide 24/7/365 primary care services for the enrolled population of the wider Dunedin area.

Name	Principal Activity	Country of incorporation	Interest in Associate 2025	2024
The Dunedin After Hours Doctors Limited	Primary care services	New Zealand	50%	0%

On 31 October 2024 WellSouth took an 50% equity investment in The Dunedin After Hours Doctors Limited. The following table summarises the financial investment of WellSouth in the associate.

	2025	2024
Percentage of ownership interest	**50%**	**0%**
Current assets	590,471	-
Non-current assets	164,119	-
Current liabilities	(300,402)	-
Non-current liabilities	(124,309)	-
Trust's share of net assets (50%)	**329,879**	**-**
Carrying amount of interest in associate	**329,879**	**-**
Revenue	1,441,105	-
Surplus/(deficit) from continuing operations	-	-
Other comprehensive revenue and expense	-	-
Trust's share of total comprehensive revenue and expense (50%)	-	**-**

There were no contingent liabilities or assets relating to the Trust's interest in The Dunedin After Hours Doctors Limited (2024: nil).

There were no capital commitments relating to the Trust's interest in The Dunedin After Hours Doctors Limited (2024: nil).

19 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.

Unless otherwise stated, transactions with related parties are completed on an 'arms-length' basis, on normal terms and conditions consistent with standard business operations. They do not include any special terms, conditions or guarantees.

Key management personnel remuneration

Leadership team	2025	2024
Remuneration	1,525,523	1,454,099
Full-time equivalent personnel	7.0	7.0
Trustees		
Dr Doug Hill (Chair)	55,000	55,000
Tony Hill (concluded November 2023)	-	15,833
Ahorangi/Professor Emma Wyeth (Deputy Chair)	38,000	34,083
Dr Keith Abbott (concluded March 2025)	21,450	28,600
Dr Keri Milne-Ihimaera (concluded November 2024)	11,917	28,600
Dr Sue Crengle	28,600	28,600
Dr Susie Meyer	31,000	31,000
Lealiifanovalevale Erolia Eteuati Rooney (concluded November 2024)	11,917	28,600
Nicky Burwood	28,600	28,600
Paul Larson (concluded November 2024)	12,915	30,000
Andrew Hamilton (SME, appointed July 2024, concluded June 2025)	15,000	-
Nigel O'Rorke (appointed December 2024)	16,683	-
Kerry Adams (appointed December 2024)	16,683	-
Dr Rahul Prasad (appointed May 2025)	4,767	-
Total trustee remuneration	**292,531**	**308,916**
Full-time equivalent members	9.0	9.0

Transactions

Trustee and Chair, Dr Doug Hill received capitation and other payments in his capacity as a General Practice Doctor at Broadway Medical Centre.

Former trustee Paul Larson is Director and Shareholder of Larson's Pharmacy which receives payments for clinical services from WellSouth on monthly basis.

Former trustee Dr Keri Milne-Ihimaera is a Board member of Awarua Whānau Services who invoice WellSouth for the provision of contracted health related services.

Trustee Dr Rahul Prasad received capitation and other payments in his capacity as a General Practice Doctor at Māori Hill Medical Centre.

Value of related party transactions	2025	2024
Purchase of medical services	2,966,980	2,697,225
Total value of related party transactions	**2,966,980**	**2,697,225**

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within two months of reporting date. Refer to note 8 for details on the outstanding balances with these related parties. None of the balances are secured. No expense has been recognised in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties.

20 Capital commitments and contingent liabilities

The Trust has no capital commitments at reporting date (2024: nil). The Trust has no contingent liabilities at reporting date (2024: nil).

21 Events after reporting date

On 1 August 2025 the Trust entered into a lease agreement for new premises located at 65 Don Street, Invercargill. The lease term is eight years, with annual lease payments of $526,100. This event occurred after the reporting date of 30 June 2025 and accordingly, no adjustment has been made to the financial statements (2024: nil).

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INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF WELLSOUTH PRIMARY HEALTH NETWORK

Opinion

We have audited the general purpose financial report of WellSouth Primary Health Network (the "Trust"), which comprises the financial statements on pages 50 to 62, and the statement of service performance on pages 31 to 47. The complete set of financial statements comprise the statement of financial position as at 30 June 2025, the statement of comprehensive revenue and expense, statement of changes in net assets/equity, 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 general purpose financial report presents fairly, in all material respects:

- the financial position of the Trust as at 30 June 2025, and its financial performance, and its cash flows for the year then ended; and
- the statement of service performance for the year ended 30 June 2025, in that the service performance information is appropriate and meaningful and prepared in accordance with the Trust's measurement bases or evaluation methods,

in accordance with Public Benefit Entity Standards ("PBE Standards") issued by the New Zealand Accounting Standards Board.

Basis for Opinion

We conducted our audit of the financial statements in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and the audit of the statement of service performance in accordance with the ISAs (NZ) and New Zealand Auditing Standard 1 (NZ AS 1) (Revised) *The Audit of Service Performance Information (NZ)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the General Purpose Financial Report section of our report. We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Other Matter

The general purpose financial report of WellSouth Primary Health Network for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified opinion on that general purpose financial report on 12 November 2024.

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Other Information

The Trustees are responsible for the other information. The other information obtained at the date of this auditor's report are: Chairman's Report, Chief Executive's Report, Executive Summary, WellSouth's Demographic Profile, Enrolment and Access Trends, Empowering and Supporting Providers to Deliver Sustainable, Quality Care, Empowering and Supporting Providers to Deliver Equitable Care' contained in the general purpose financial report on pages 6 to 29, but does not include the statement of service performance and the financial statements and our auditor's report thereon.

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

In connection with our audit of the statement of service performance and financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the statement of service performance and the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Trustees' Responsibilities for the General Purpose Financial Report

The Trustees are responsible on behalf of the Trust for:

a) the preparation and fair presentation of the financial statements and statement of service performance in accordance with PBE Standards;

b) the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present a statement of service performance that is appropriate and meaningful in accordance with PBE Standards;

c) the preparation and fair presentation of the statement of service performance in accordance with the Trust's measurement bases or evaluation methods, in accordance with PBE Standards;

d) the overall presentation, structure and content of the statement of service performance in accordance with PBE Standards; and

e) such internal control as the Trustees determine is necessary to enable the preparation of the financial statements and statement of service performance that are free from material misstatement, whether due to fraud or error.

In preparing the general purpose financial report 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.

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Auditor's Responsibilities for the Audit of the General Purpose Financial Report

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, and the statement of service performance are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and NZ AS 1 (Revised) 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 or collectively, they could reasonably be expected to influence the decisions of users taken on the basis of this general purpose financial report.

A further description of the auditor's responsibilities for the audit of the general purpose financial report is located at the XRB's website at https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-14-1/

This description forms part of our auditor's report.

Who we Report to

This report is made solely to the Trust's Trustees, as a body. Our audit work has been undertaken so that we might state those matters which 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 Trust and the Trust's Trustees, as a body, for our audit work, for this report or for the opinions we have formed.

BDO Invercargill

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11 November 2025

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