

Peke Waihanga

Artificial Limb Service

Orthotic Service

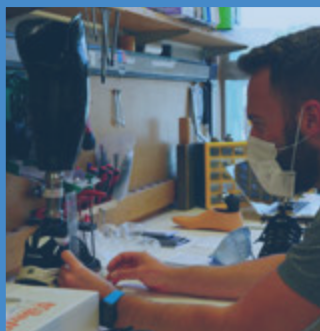
Peer Support Service

E.12A

Annual Report

For the Year Ended
30 June 2024

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



Our Vision

**Kia riro ia te mana motuhake o
tōna ao, kātahi ā mātou tūroro ka
whai hua.**

Independent and productive lives for
the people we care for.

Who We Are

Peke Waihanga (New Zealand Artificial Limb Service) is an autonomous Crown Entity under the Crown Entities Act 2004 and Artificial Limb Service Act 2018 and is required to comply with the Public Finance Act 1989.

Peke Waihanga delivers prosthetic, orthotic, rehabilitation, peer support and coordination of care service. We do this based on the following legislated functions:

- to manufacture, import, export, market, distribute, supply, fit, repair, and maintain artificial limbs *(and other similar devices)*
 - to provide rehabilitative and other services to people in connection with artificial limbs *(and other similar devices)*
 - to carry out research and development in relation to artificial limbs *(and other similar devices)*
 - to advise the Minister on matters relating to artificial limbs *(and other similar devices)*
-

Effect of Change in Government

Our operating model is different to other Crown entities in that we are not funded by Government appropriation. Peke Waihanga competes in the specialist rehabilitation industry against private entities for its operating revenue. Specifically, competitive procurement practices for funders drive the competency and capability to provide services. As such the change in Government mid-way through the reporting period did not affect our operations.


Rarangi Take

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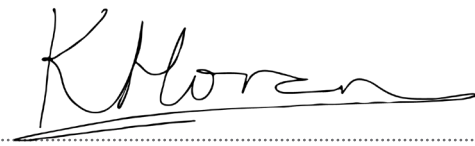
To the Minister for Social Development

In accordance with section 151 of the Crown Entities Act 2004, we submit the Annual Report of Peke Waihanga – New Zealand Artificial Limb Service.



Kevin Ross
Board Member

17 January 2025



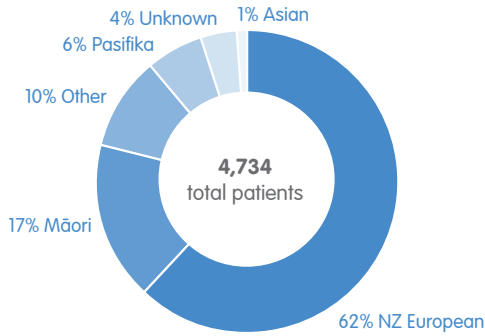
Kate Horan
Board Member

17 January 2025

Whakaahua o te Tau 2024 Snapshot

Artificial Limb Service

Overview



Gender



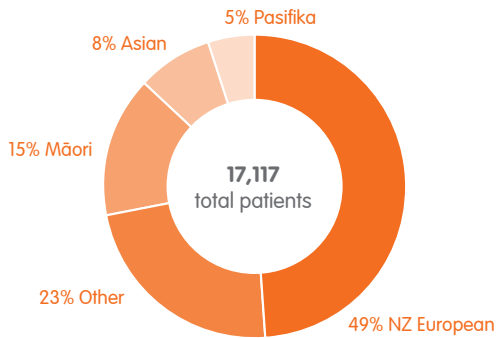
Our locations

We have eight main centres that support 17 regional clinic locations, as shown below:

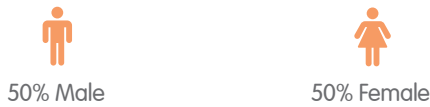


Orthotic Service

Overview



Gender



This year at a glance:

Our patients:

- 682 new amputees
- 31% trauma amputations
- 46% diabetes & vascular amputations
- 21% congenital, cancer and infection amputations

Our expert workforce:

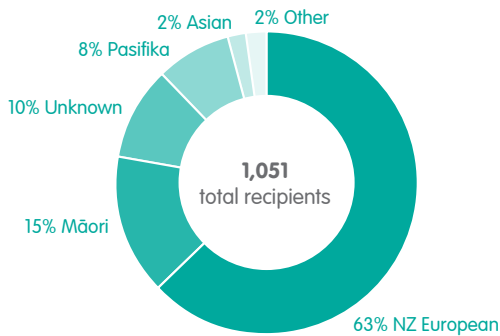
- 1,335 days of structured professional development
- 23,647 hours of rehab therapy & support provided

Our contractors and employees:

- 3 rehab physicians
- 2 podiatrists
- 7 orthopaedic surgeons
- 26 device technicians
- 3 general practitioners
- 2 digital technicians
- 49 prosthetists/orthotists
- 109 peer support volunteers
- 19 physiotherapists & occupational therapists
- 30 support & coordination staff
- 4 nurses
- 28 management & national office staff

Peer Support Service

Overview



Volunteers



Chairman's Report

Ka tū te rākau, ka hōhonu ngā pakiaha.

The tree stands strong, and the roots run deep.

We are proud that we continue to deliver a world class service with minimal waiting times for our patients despite a difficult operating environment of rising costs, funding constraints, increasing demand for services and a worldwide shortage of health staff.

A significant milestone for Peke Waihangā during the year was the launch of a cloud-based solution patient and workflow management system called Manaaki. It will improve patient care by increasing the time our team can spend with patients, provide insights to improve decisions and utilisation of scarce resources.

The new Manaaki replaced the previous dated bespoke system and digitally transformed our whole business and provides improved cyber security of our patient information.

Transitioning to the new system required the involvement of all members of staff and the Board was very grateful for their high level of professionalism which ensured no drop-off in services provided despite a complex and stressful time.

Much time was spent during the year advocating within Government for a new agreement with Te Whatu Ora to resolve the current unfair situation where those whose amputations are caused by health conditions receive an inequitable and unfair service compared to trauma amputees.

Thankfully by the end of the reporting period a

Governance Group which included Te Whatu Ora Accident Compensation Commission, Peke Waihangā and the Amputee Federation of NZ began work overseeing the development of a nationally consistent service for all amputees.

A new plan setting out Peke Waihangā high-level strategic direction for the next four years was published. The Statement of Intent 2024-28 was developed using feedback gathered from patients, staff and external stakeholders such as amputees, the amputee societies, Accident Compensation Corporation and Health NZ / Te Whatu Ora.

The opening of the custom-built orthotics space at the Auckland Centre highlighted how far the service has come since its inception in 2021 with a greatly expanded team seeing more patients across more hospital sites and in the community. Waitlists have been eliminated as a result of the great work of the teams in these areas and at no extra cost to the health system.

Peke Waihangā orthotic services expanded nationally too taking on the Te Whatu Ora service agreement for delivery of services in Canterbury.

Demand for our Artificial Limb Service increased by 6% during the reporting period. This means there has now been a 12% increase in services over a five-year period.

The Peer Support Service received its 1000th referral since the service began in 2019. During

the year the service also trained its 109th volunteer to provide informal support to those adapting to limb loss.

As a board we are always mindful of those who find it difficult accessing health services.

This is particularly true for those who live in Northland, a region with a high Māori population, low health outcomes and where many people live remotely.

Our response was to commission a mobile workshop for Northland to take our services to where people live. This not only improved access but removed the need for patients to travel long distances for the services they need.

Ngā mihi,

A handwritten signature in black ink, appearing to read 'George Reedy', with a long horizontal flourish extending to the right.

George Reedy
Chair

New Statement of Intent Developed

Minister of Social Development Louise Upston, who has ministerial responsibility for Peke Waihanga, attended our people leaders' strategy session to kick start the development of our new Statement of Intent for 2024-2028.

It has ten objectives across four pillars:

Service objectives

1. Improve service outcomes.
2. Enhance patient service and support.
3. Form prevention partnerships.

Equity objectives

4. Foster equitable access to services.

Expert workforce objectives

5. Enhance team communication and collaboration.
6. Develop a sustainable workforce.
7. Advance workforce training and development.

Technology research and development objectives

8. Innovate product development and expand the product market.
9. Maximise operational, manufacturing and product technology.
10. Utilise smart partnering.



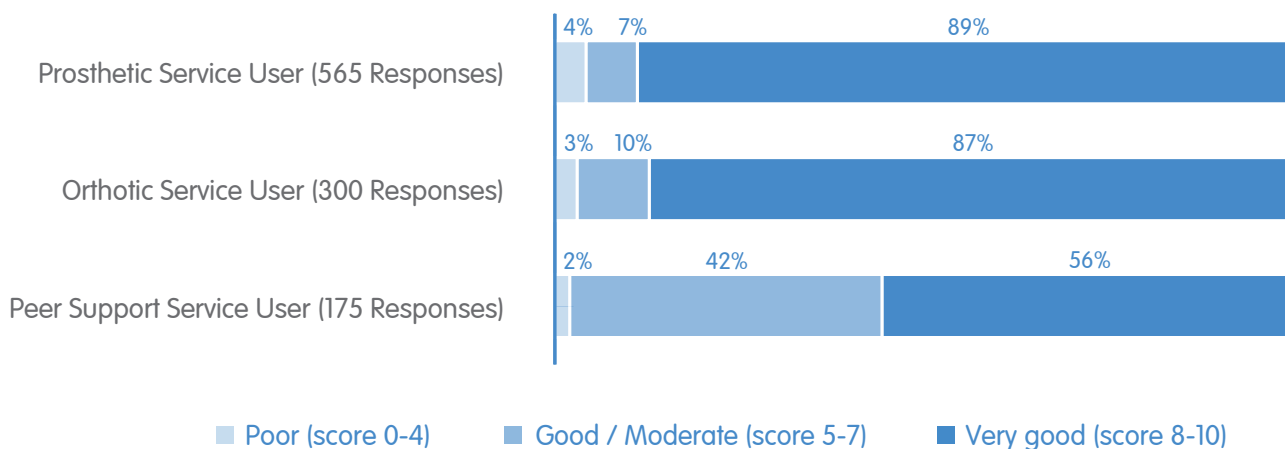
Ratonga Service

Our patients are at the centre of everything we do, receiving from Peke Waihanga whole-of-life, world-class services that deliver what they need at each stage of their journey.

Service Satisfaction

Results for "Rate the overall service you received for the job we have undertaken for you?"

Scale: 0 being the worst and 10 being the best possible



Peke Waihanga independently and anonymously surveys users to understand their satisfaction with the service we provide them. The above graph shows:

1. 89% of 565 prosthetic service users scored overall service satisfaction "very good".
2. 87% of 300 orthotic service users scored overall service satisfaction "very good".
3. 56% of 175 peer support service users scored overall service satisfaction "very good".



Peke Waihanga Services Showcased at Parliament

Peke Waihanga services and its mobile workshop were showcased at Parliament during a day featuring the country's mobile health units which aim to remove access barriers by bringing healthcare directly to patients.

Members of Parliament, ministers, the public and other health practitioners were able to see the inside of the van, watch a live prosthetic alignment on an amputee, shown examples of upper and lower limb prosthetics, view posters and brochures and discuss aspects of Peke Waihanga work with members of our staff.

Artificial Limb Service (Prosthetics)

Reason for Amputation	2020	2021	2022	2023	2024
Injury / Trauma	2,389	2,413	2,472	2,489	2,696
Cancer / Infection / Congenital / Other	1,202	1,257	1,281	1,359	1,357
Diabetes / Vascular	1,265	1,246	1,350	1,296	1,406
Total	4,856	4,916	5,103	5,144	5,459

The above table shows over the last five years, our amputees needing prosthetic services by reason for amputation. This data shows there was a 6% increase in the previous 12 months for our services, contributing to a 12% increase in demand over the previous five years.

Case study

A trans femoral patient had lower back pain because of issues with the swing phase of his gait despite using a state-of-the-art microprocessor knee for more than six years. Because it was a passive-control knee, he needed to fully swing his prosthesis to get good ground clearance and struggled to achieve this without resulting back pain. Our prosthetist was able to resolve the issue by prescribing a newly available powered microprocessor knee. The patient’s physiotherapist successfully organised for him to trial the Ossur Power knee and Rebocon Intuy knee and the patient was very satisfied with the outcome and his back pain reduced substantially.



Upper Extremity

Field trials, training and new prosthetics

The Upper Extremity Team supported field trials of the TASKA CX (small) hand being run by TASKA, a New Zealand based supplier of myoelectric hands. This included assisting with the set up of prototype units and providing feedback during the trials. The hand is now available on the market and will benefit many of our patients.

Professional development for upper extremity clinicians included:

- Three prosthetists travelled to Melbourne for a three-day myoelectric training course. This covered the complete process from casting to fitting of transradial and transhumeral patients, with both standard myoelectric control and pattern recognition.
- TASKA providing in-centre training on their products in July.
- Naked Prosthetics providing training for all upper extremity team members on the provision of functional partial finger prostheses.
- Jobskin providing training on custom-made compression garments.

The hands-on nature of these training courses increased clinician confidence which in turn enhanced patient outcomes.

Two clinicians presented at the hand therapy conference to showcase the devices and services that Peke Waihanga can provide for upper extremity amputees. This presentation was well received by therapists who previously were not aware of what Peke Waihanga could offer and who will now refer patients to us.

For the first time in New Zealand, team clinicians were able to provide patients with Koalaa soft prostheses. These new soft and flexible prosthetics pair with various 'tools' to allow users to complete different activities. This provides patients with an alternative option, which should increase the uptake of upper limb prosthetics.

Case study

During the last financial year, Jenna Crate progressed from using a passive hand to using a body-powered hand. Her new control harness can be seen in the photo.

Jenna has taken to this new arm really well and has been practising picking up objects using only her prosthesis. She also really enjoys riding her bike, doing gymnastics with her device, colouring and helping mum and dad take care of her younger brothers.



Orthotic Service Continues to Grow

In October 2023 Te Whatu Ora began discussions with Peke Waihanga to deliver orthotic services in Canterbury. An agreement was reached and service delivery starting only one month later in November. This was reflective of our desire to improve the quality of orthotic services nationally. This desire has seen Peke Waihanga increase its orthotic service contracts across the country over the past 3-4 years. Besides the Canterbury contract, it also holds service agreements for Auckland, Waikato, Bay of Plenty, Tairāwhiti and the West Coast – covering about 40-50% of orthotic patients nationally.

The new Auckland custom-built orthotic space opened with eight clinical spaces, a conference room and purpose-built office and is situated just across the laneway from the Auckland Artificial Limb Service Centre.

The opening highlighted how much the Auckland Orthotic Service has grown since it opened in 2021. It now has a team of nine Orthotists, two Podiatrists, three Service Coordinators, three Orthotic Technicians and a dedicated Orthotic Stock Administrator with the team still growing. The service now operates across seven external sites (including hospitals) and sees over 250 hospital inpatients and over 200 community referrals a month.



Above: The blessing of the new Auckland Orthotic Service space.

Peke Waihanga at AOPA Congress

Thirteen Peke Waihanga staff attended the Australian Orthotic Prosthetic Association's 13th National Congress in Melbourne. Staff also gave six presentations on the following:

- Retrospective review of amputation rates in New Zealand
- Innovative prosthetic socket design for improved circulation and comfort in cold climates
- High temperature silicone in upper limb prosthetics
- Enhancing prosthetic and orthotic device manufacturing
- Kenevo Rehabilitation rental project
- The impact of the Exopulse Suit (on patients with cerebral palsy and multiple sclerosis)

Twenty staff also attended the NZ Orthotics and Prosthetics annual (NZOPA) conference in September.

In-house Technician Training Launched

The first enrolments were received for the new in-house Technician Training Programme which teaches new technicians to fabricate lower extremity prostheses. During the programme, technicians learn basic skills and techniques, many of which are applicable to the manufacture of all levels and types of prosthetics. It was developed over two years with the help of an advisory group drawn from senior technicians, clinicians and other Peke Waihanga subject matter experts.

The programme is delivered through a mix of off-the-job learning (self-learning through videos, reading and practising skills) and on-the-job learning (working with mentors and supervisors and completing practical assessments).

C-Brace Course

The C-Brace is the world's first mechatronic stance and swing phase control orthosis (SSCO®) system, which controls both users' stance and swing phase hydraulically with microprocessor sensor technology. The functionality of previous orthoses is limited to releasing and locking the knee joint. However, the C-Brace supports the user during the entire gait cycle and adapts to everyday situations in real time. It allows users to experience reduced falls, increased participation and improved quality of life.

To ensure Peke Waihanga was well placed to share the benefits of the C-Brace with patients, we collaborated with Ottobock to provide clinical and technical training on the C-Brace, in our Christchurch and Hamilton Centres for our Technicians and Clinicians.

These five-day workshops were led by Volker Schmidt, Lead C-Brace Trainer, and included three days of training for orthotic technicians and two days of training for clinical orthotists.

The course covered technical and clinical theory, demonstration of lamination, tempering, cutting off and assembling. A current C-Brace patient joined the training on day three for a demonstration of assessment, casting, alignment, modification and design. The final day of the course included a patient-fitting with further theory and a test before participants received their certifications.

The course was well attended, with Peke Waihanga ensuring at least two clinicians and technicians from each region were present.



Above: C-Brace in use on a patient.



Above: C-Brace training at Peke Waihanga centre.

Te Pou Aropā Takitoru (Peer Support Service)

The **1000th referral** was received by the Peer Support Service during the **2023-2024 year**. This was a major milestone for the service, which received its first referral in August 2019. During that same period, the 109th volunteer was trained to provide the service.

Adapted from the Australian Limbs 4 Life model for peer support, the service provides informal support to those adapting to limb loss by matching them to trained supporters.

The total number of people supported during the 2023-2024 year was **271 referrals, with 239 people receiving peer support** (88% of referrals) in total.

Community Events

Peke Waihanga and the Auckland Philharmonia Orchestra combined to host a music workshop for upper limb amputees. Around 20 amputees attended the two-hour session and were taught by five members of the orchestra to play a mix of percussion instruments.

Peke Waihanga regularly organises community events for amputees and their whānau which provide opportunities to network, have fun and learn. During the reporting period, seven community events were held in Auckland, Christchurch, Hamilton, Rotorua and Wānaka including archery, golf and a Born to Adapt day as well as the music workshop.



Above: Peke Waihanga rehab team members assemble an assistive device for drumming at the music workshop.



Hunga Mahi Mātanga

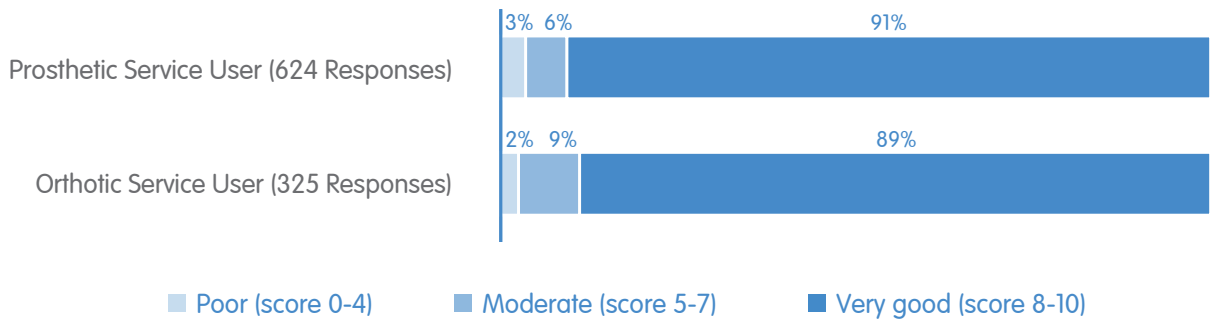
Expert Workforce

Our expert workforce is responsive and able to develop, adapt and adopt innovation and technology to continually improve the service and outcomes for our patients.

Trust and Confidence

Results for "Rate how trusting and confident did you feel with staff providing your care?"

Scale: 0 being the worst and 10 being the best possible



Peke Waihanga independently and anonymously surveys service users to understand their trust and confidence. The above graph shows:

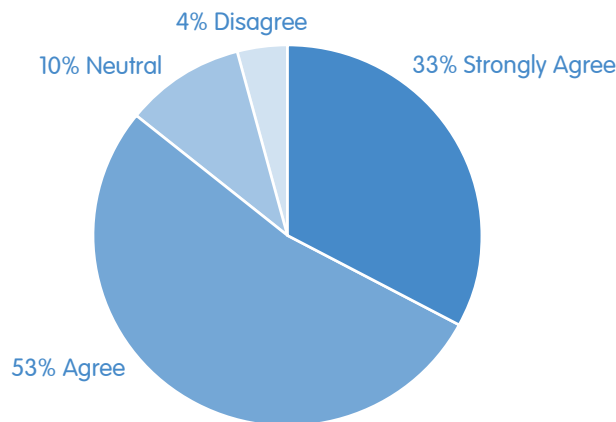
1. 91% of 624 prosthetic service users scored overall trust and confidence "very good".
2. 89% of 325 orthotic service users scored overall trust and confidence "very good".

Staff Pulse Survey

We conduct triannual staff Pulse Surveys (Team Culture and Wellbeing). The aim of these anonymous surveys is to gauge how staff are feeling at work and to gather feedback and suggestions on how we can continue to improve our work environment.

Responses

"I am happy in my work"



The above graph shows results from the June 2024 Pulse Survey. The response rate had increased by 25% compared to the previous survey. 85% of our respondents "agreed" or "strongly agreed" that they feel happy at work, and that we have a positive team culture at Peke Waihanga.

Organisational Evolution



As an organisation Peke Waihanga continues to grow and transform to meet the rapidly changing needs of our business. Following reviews and consultations, we:

- Implemented a new organisational structure for our Product Development and Commercialisation team to improve collaboration, communication, design processes and to ensure flexibility in workload distribution across roles.
- Appointed an Operations Manager in the Northern Region to oversee and enhance regional operational activities to increase productivity and efficiency and enable the Regional Manager to focus on strategic improvements and developments.
- Began implementing a new organisational structure in the Bay of Plenty Region which includes a new Regional Team Lead and two Clinical Leads (prosthetics and orthotics).

Immigrants Boost Numbers as Workforce Grows

At the end of the reporting year, the **Peke Waihanga workforce had grown to 161 employees and of these 63 were born overseas – that's 39%**. As a result of a worldwide shortage of healthcare workers and no qualification available for prosthetists and orthotists in New Zealand, recruiting for these roles internationally is essential. A sizeable number of Peke Waihanga allied health professionals and technicians have also migrated here.

Peke Waihanga is an 'accredited employer' with Immigration New Zealand, which means its human resource practice must meet strict human resource practices criteria.

It takes time to recruit people from overseas which puts a strain on the organisation which must manage staff vacancies in the meantime. It takes 3-6 months to apply for a visa and often Peke Waihanga is recruiting experienced people who are usually well-established meaning they need time to sell their house or wind up a business.

Peke Waihanga Graduate Programme

There is no prosthetic and orthotics course in New Zealand and continuing to have to recruit overseas is often problematic. Peke Waihanga has responded by implementing a graduate programme that supports up to two New Zealanders each year to study towards a bachelor's degree in Prosthetics and Orthotics at Australia's University of the Sunshine Coast.

To ensure graduates have a good base of knowledge and understanding of the profession before beginning their studies, the Programme begins with one year of working as a technician with Peke Waihanga. The Graduate Programme provides a pipeline of new clinicians to Peke Waihanga, supporting our succession planning and the resilience of our workforce.

One graduate has completed the programme and is now working as a Clinical Prosthetist/Orthotist at Tauranga Centre. Three others are studying at the university – one as a first-year student and the others as second and third-year students.

Peke Waihanga as a Good Employer

We continue to comply with good employer and equal employment opportunities practices by:

- Encouraging staff participation in decision-making on health and safety and recruitment.
- Consulting staff and the New Zealand Public Service Association (which represents around 30% of our workforce) on important changes within the organisation that may affect them.
- Prioritising staff wellbeing by:
 - Supporting return-to-work programmes for ill and injured employees; and
 - Having a robust policy for managing bullying, harassment and discrimination in the workplace; and
 - Providing an Employee Assistance Programme, discounted health insurance, health monitoring checks and vaccinations.
- Supporting non-standard work arrangements including part-time, flexible working hours, working from home and other forms of remote working – **41% of our workforce have flexible working arrangements.**
- When setting remuneration, using robust job sizing evaluation and ensuring remuneration reflects the complexity of each role and the level of skill required.
- Prioritising staff development through staff individual development plans and supportive staff management and coaching practices.
- Providing a comprehensive induction and orientation programme for new employees, with e-learning, workshops and on-the-job tools and resources.

Education and Audits

Our expert workforce continues to share their knowledge with external health professionals. In 2023 our staff ran Amputee Rehabilitation study days in Auckland, Christchurch, Hamilton, Tauranga and Whangarei. These were attended by health professionals working with amputees – hospital and community-based staff from nursing, medical and allied health backgrounds. These study days enable networking among health professionals working in Amputee Rehab and provide knowledge and skills required to support an amputee through their rehab journey.

Internally members of the team facilitated centre-based training on Informed Consent and Privacy Training for all patient-facing staff.

The National Rehab Lead attended the International Society of Physical and Rehab Medicine conference in Sydney in June which provided important takeaways on pain management, access to parasport and Telehealth which will lead to service improvements in Peke Waihanga.

Our rehabilitation services successfully underwent an external independent surveillance audit against the Allied Health Sector standards. This included a review of policies, procedures, documentation and patient experiences.

An internal patient notes audit was carried out by the team which involved 45 notes being audited across six centres. Audits were completed cross-centre with at least two notes per rehab clinician. Overall, the quality of notes was good.



Above: Amputee Rehabilitation Study Day in Wellington.

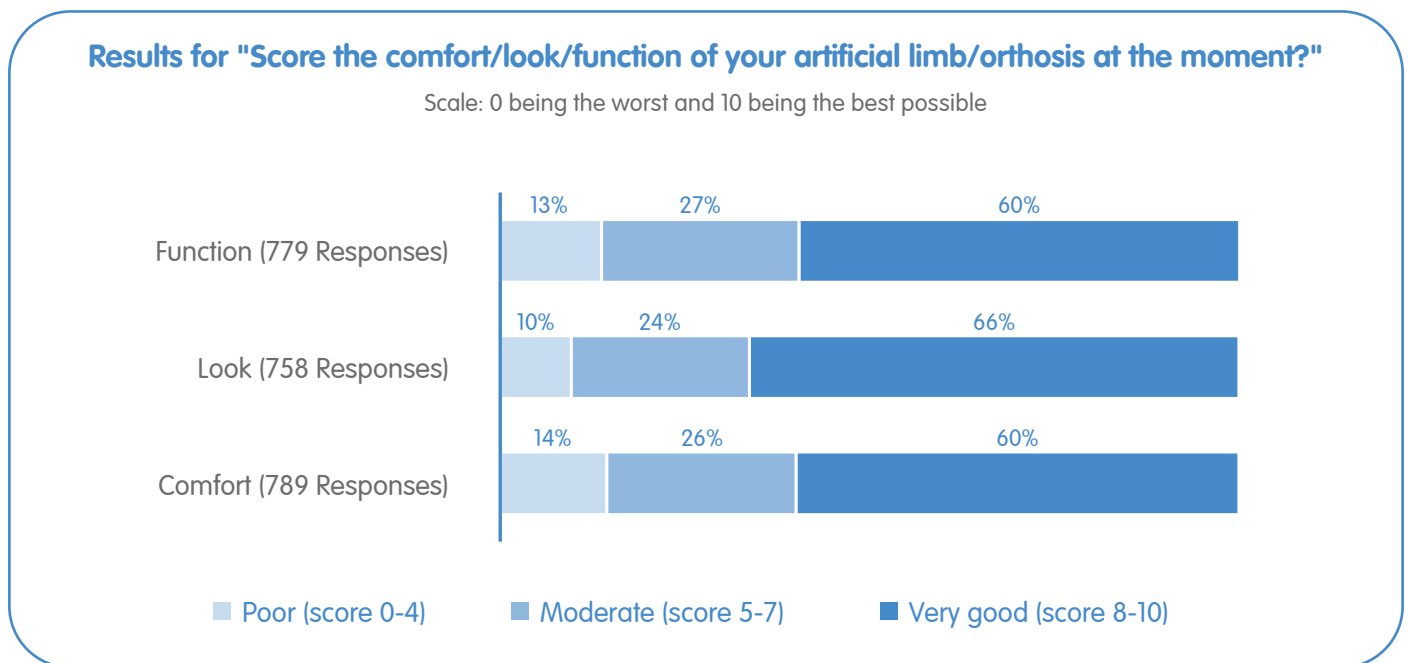


Above: At the Amputee Rehabilitation Study Day, a Peke Waihanga physiotherapist demonstrates how to use a goniometer to assess an amputee's hip mobility.

Hangarau, Rangahau me te Whakawhanaketanga Technology, Research and Development

We adapt and customise technology to change the lives of our amputees. Peke Waihanga has a responsibility to our amputees to understand, access and bring them the best technological solutions and initiatives that the budget allows.

Function, Look and Comfort



Peke Waihanga independently and anonymously surveys service users to understand their function, look and comfort. The above graph shows:

1. 60% of 779 artificial limb or orthosis users scored overall function "very good".
2. 66% of 758 artificial limb or orthosis users scored overall look "very good".
3. 60% of 789 artificial limb or orthosis users scored overall comfort "very good".

New Manaaki Software Goes Live

Manaaki, the new cloud-based solution patient and workflow management system, went live during the reporting period – a significant milestone for the organisation. Manaaki is the engine at the heart of our business and is used to schedule and manage appointments, maintain patient records, track the manufacture of devices, provide consumables to patients and record the stock used and time spent on manufacturing jobs.

The system improves the patient service experience and outcomes, optimises the clinical time of our workforce, reduces administration, provides real-time data and insights and allows Peke Waihanga to take advantage of advances in information technology. It replaces the previous dated bespoke system and improvements continue to be made to meet current and future needs of the business.

Nearly all members of our team from every part of the business use Manaaki on a daily basis so we provided them with comprehensive training to ensure a smooth transition with no service disruptions.

Product Development and Commercialisation

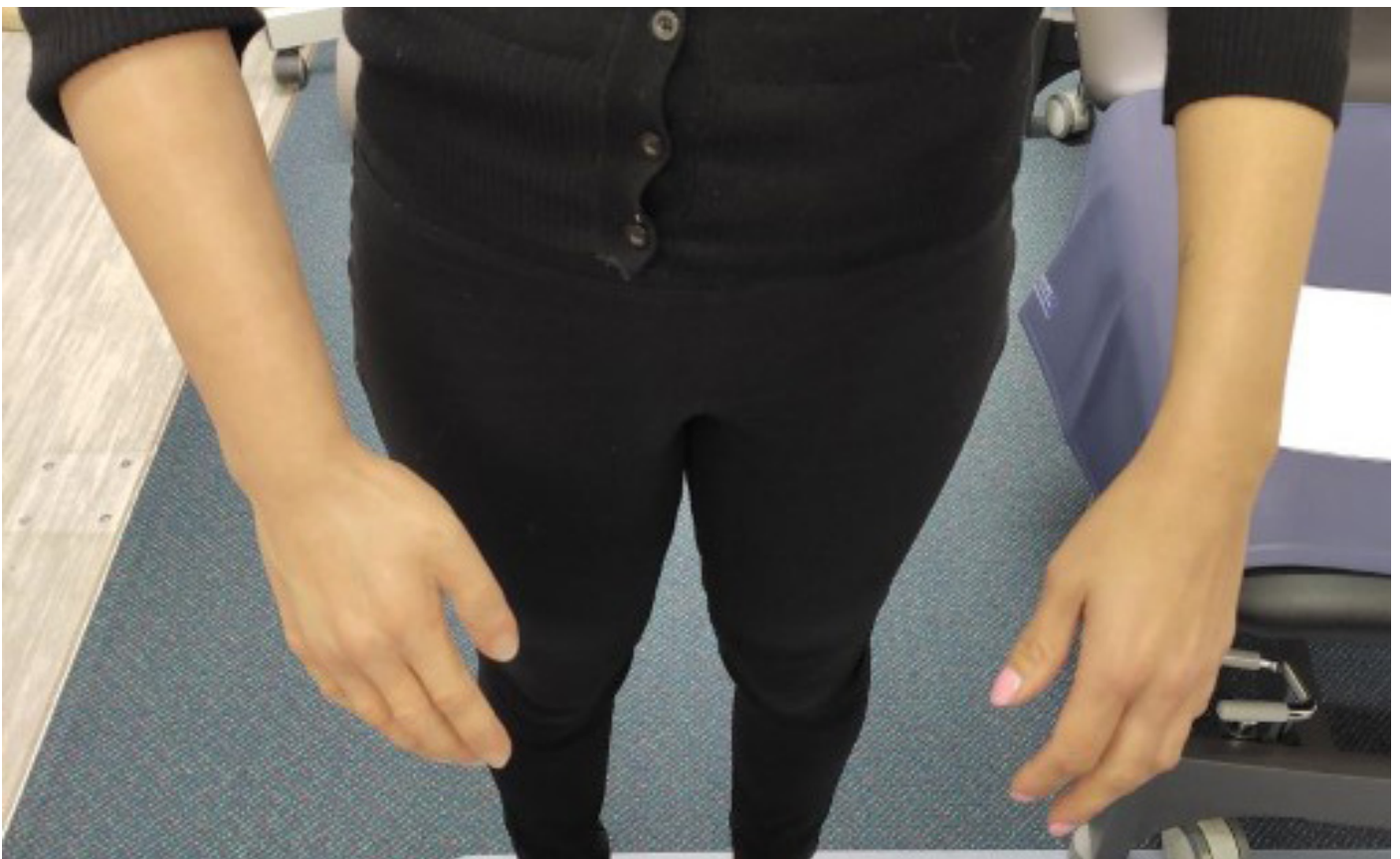
This year we consulted with the team on how to best structure our 3D printing, silicone design and fabricating efforts.

This saw our silicone team and the 3D printing team come together into the new Product Development and Commercialisation team and two additional silicone technicians were recruited.

Over this time, two of our silicone fabricating experts participated in a 10-day cosmetic silicone training course in France, both the quantity fabricated and the quality of high-definition cosmetic silicone devices have grown apace.

First 3D printed arm fabricated

The Product Development and Commercialisation Team continued its excellent innovation track record when it fabricated the first 3D printed arm for a woman patient who was competing in a beauty pageant. The arm's socket was 3D printed and the Silicone Studio provided a custom silicone liner. The patient was extremely happy with the final device.



Above: The first 3D printed arm that was fabricated.

Comprehensive 3D catalogue published

A comprehensive product catalogue for staff to order 3D printed products was developed and published during the year.

The catalogue also provides staff with information on the 3D ordering process. The catalogue will continue to be added to as more products are developed by the Product Development and Commercialisation team.

In this reporting period, **we manufactured 470 3D printed prosthetic sockets.**

Silicone growth and innovation

Peke Waihanga has continued to innovate and develop new silicone products since its silicone studio was established in 2020. Up until the end of the reporting time Peke Waihanga had **manufactured 170 silicone devices for patients.**



Above: Cosmetic silicone finger in the manufacturing process and the final devices for fitting.

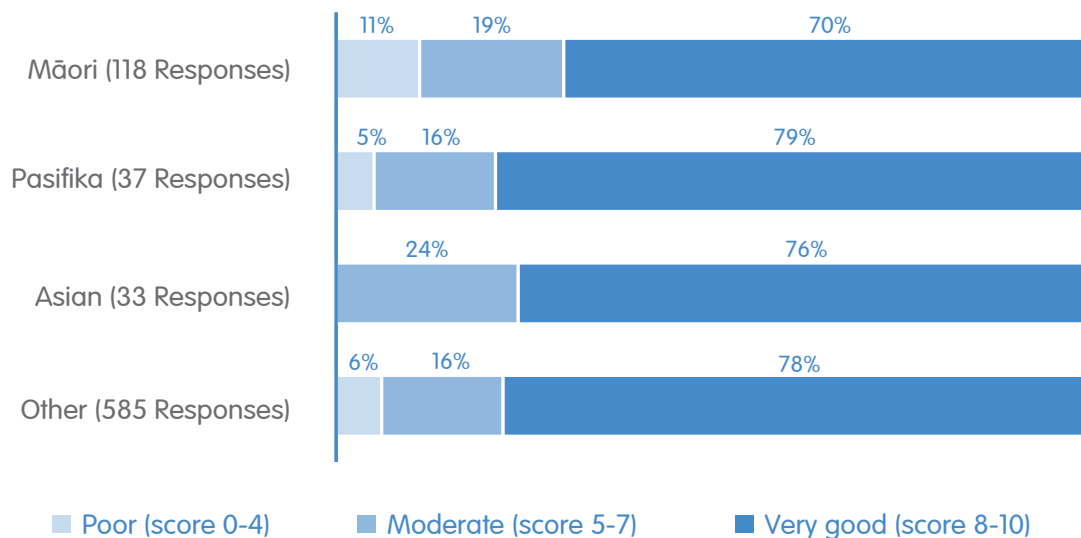
Mana Taurite Equity

Peke Waihanga supports equitable amputee access to technology and services based on need.

Independent and Productive Lives

Results for "How well did we set you up to be independent and productive in your local community and at home?"

Scale: 0 being the worst and 10 being the best possible



Peke Waihanga independently and anonymously surveys service users to understand how they lead independent and productive lives at home and in the local community. The above graph shows:

1. 70% of 118 Māori users scored overall independence and productivity "very good".
2. 79% of 37 Pasifika users scored overall independence and productivity "very good".
3. 76% of 33 Asian users scored overall independence and productivity "very good".
4. 78% of 585 other users scored overall independence and productivity "very good".

Collaboration at Marae on Diabetic Feet

Members of our Waikato rehabilitation team are part of a network of nurses and podiatrists specialising in footcare, particularly around diabetic feet. They were invited to a health providers day at Te Hohao Marae in Hamilton by iwi health provider Te Kahao Health which gave them the opportunity to work alongside the region's High Risk Clinic Team and provide advice on footcare.

They were able to assess feet, advise kaumatua and whānau on how to check for issues with their feet and refer those who needed orthotic treatment or more complex assessments.

Our Hamilton nurse plays a supporting role in the network and during the year also worked with Waikato Te Whatu Ora staff to provide professional development to iwi healthcare workers and attended the national Podiatry Conference to raise the profile of the network.

Mobile Workshop Commissioned for Northland

Our new mobile workshop made its first trip to Northland to make our services more accessible in a region with a high Māori population, low health outcomes and where many people live remotely.

Whangārei Hospital was the only place in Northland where Peke Waihanga had access to workshop facilities during regional clinics although clinics were also held in Kawakawa and Kaitaia. Staff were very limited in what they could do for Northland patients. Often, patients had to wait for adjustments or repairs or travel to Auckland.

Now prosthetists can make direct sockets, do basic hand laminations with a bigger range and number of adjustments all on-site while the patient waits.

This effort reduces the barriers around access to our service and reduces the real cost of service to our patients and funders.



Above: Working on a socket inside the mobile workshop.

Working with Challenging Patients (Training)

Peke Waihanga collaborated with health and safety consultants Leading Safety to provide onsite, tailored workshops for our frontline staff around working with patients with brain injuries, cognitive decline, mental health, substance abuse issues and other issues. This followed feedback from staff about the challenges they face when seeing an increasing number of patients with these conditions. The workshops built on the in-house de-escalation training Peke Waihanga already provides for staff.

The sessions were run by a Neuropsychologist and included understanding the client population, the effects of different conditions on behaviour, tools for risk management, ways for staff to manage their own wellbeing, understanding their own tolerance levels for coping with challenging behaviour and strategies to do this.

A follow-up plan from this training has been created to support frontline staff to implement learnings and continue to discuss and report challenging patient presentations.

This effort has further equipped our team when dealing with difficult situations. Ultimately improving the health and safety for our staff and the people they care for.

Funding Benefits Young Patients Sports and Recreation

In 2023 the Starship Foundation offered \$180,000 over three years to Peke Waihanga to help increase participation in sports and recreation by young patients with a limb difference.

A portion of the funding was used to manufacture a secondary activity limb blade for six-year-old Duskie Coulter which meant for the first time she was able to participate in her school's cross-country course and keep up with her friends during sports and active play.



Above: Six-year-old Duskie Coulter with her Starship-funded blade especially designed for physical activity and play.

Creativity Helps Patients With Everyday Activities

Peke Waihanga has a team of technicians, prosthetists and orthotists who make adaptive devices so the people we care for can live independent and productive lives. The custom-made devices help with everyday activities, including hobbies and sports.

One example during the reporting period included a device to enable an 11-year-old patient to use the utensils she chose especially. A spoon, knife, fork, dessert fork and teaspoon were added to separate wrist inserts. The spoon was bent to make it easier to use. Aluminium inserts were used to reduce the weight of the device and a silicone insert made with push rivets was placed into the socket.

A hook was also made to use monkey bars for the same young patient enabling her to play with her friends in the playground when previously she had been feeling really left out.



Above: Multi-use device to help with eating.

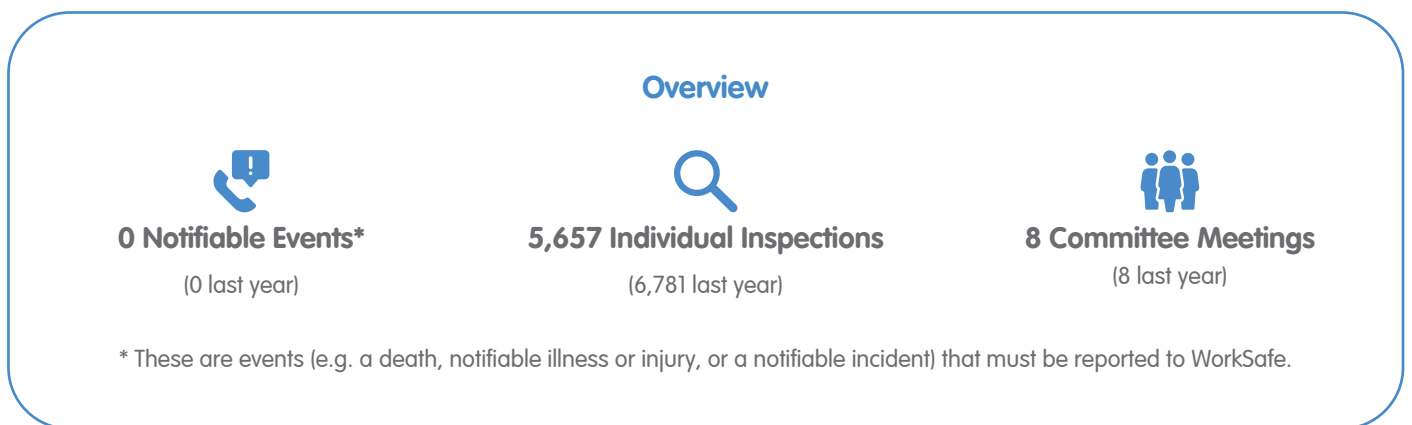


Above: Elite para-triathlete Shazz Dagg with her Peke Waihangā designed adaptive device that enables her to compete worldwide.

Health and Safety

The health and safety of our patients and workforce is a very important aspect of our business.

The following are key statistics on our health and safety function.



Respiratory Protection

A respiratory protection programme was established, including respirator fit testing for staff members who wear tight-fitting respirators. After extensive consultation, the 3M Powered Air Purifying Respirator (PAPR) was found to provide the most suitable protection for staff with facial hair.

SafePlus

A SafePlus onsite assessment was undertaken by an independent health and safety consultant. SafePlus measures an organisation's health and safety performance using ten requirements across three elements - leadership, worker engagement, and risk management. Each performance requirement has a three-level maturity scale applied to it: Developing, Performing, and Leading. The assessment found Peke Waihanga to be 'Performing' in all ten performance requirements.

Health Infrastructure Lead

A new position was established to assist with the continuous service, upkeep, and calibration of our equipment and facilities. This centralised role simplifies communication across our centres and serves as a primary contact for equipment and hardware orders. This has led to better record keeping and efficiencies allowing the centres to focus on their staff and patients.

Local Exhaust Ventilation (LEV) Testing

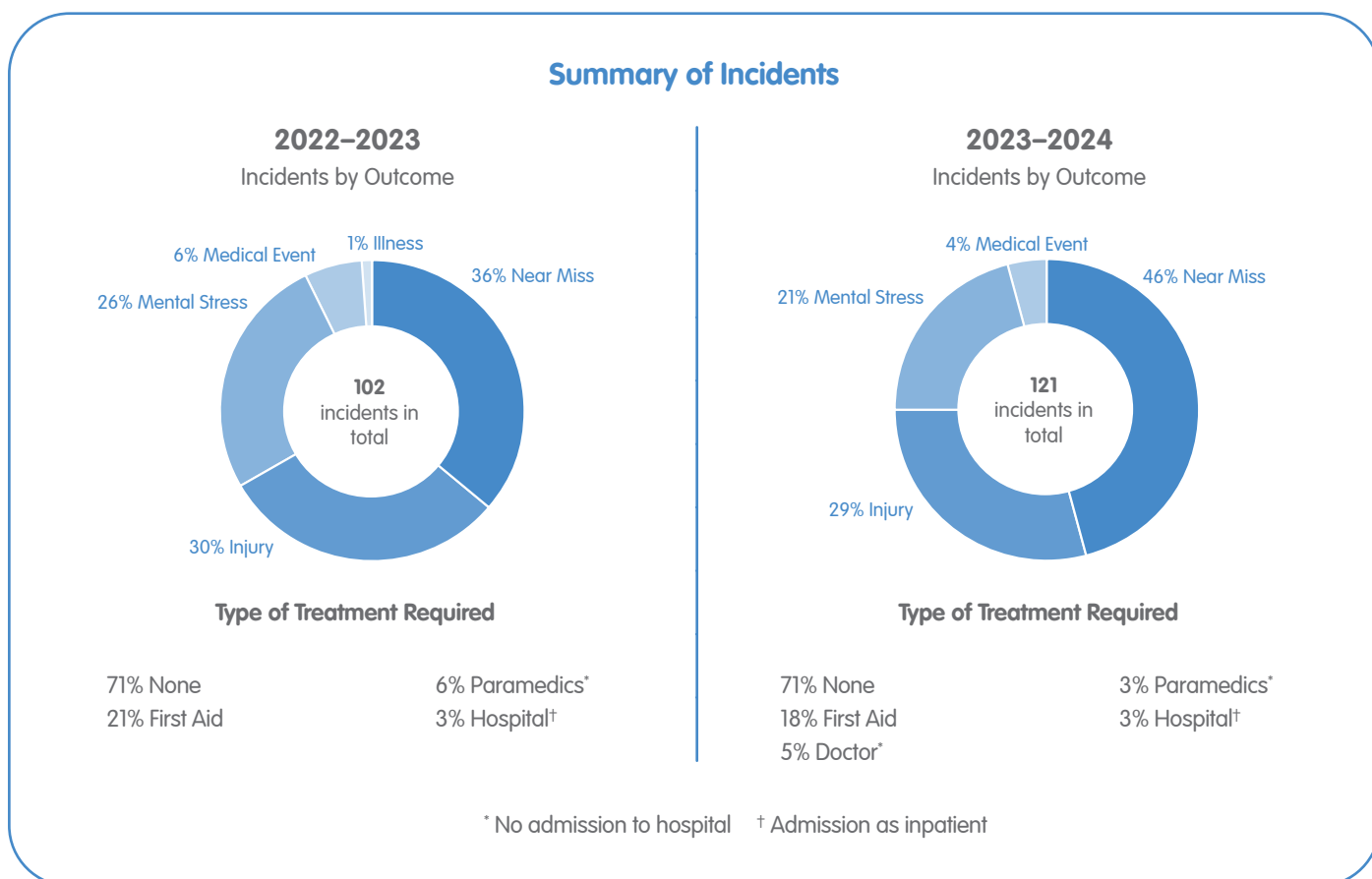
A procedure was developed for conducting in-house testing of on-tool dust and vapour extraction to check the efficacy of each system. This process is carried out in tandem with the annual servicing and maintenance of our LEV systems.

Hazard Summary

In 2023-2024, 44 hazards were reported compared to 37 hazards in 2022-2023.

Incident Reporting

The graphs below illustrate the incidents by outcome and treatment for 2023–2024 and 2022–2023.



The increase in the number of incidents compared to the previous year can likely be attributed to:

- Increased reporting: 46% of reported incidents were a near miss, compared with 36% in 2022-2023, and 71% of all incidents required no treatment.
- Growth in staff numbers and services provided which may correlate with a higher incidence rate.

Comprehensive reporting allows the identification of potential patterns, which are then used to continuously improve systems, environments and devices. This proactive approach helps to reduce the likelihood of similar incidents happening again or of more serious incidents occurring.

Board Members

Board members are appointed by the Minister for Social Development under the Crown Entities Act 2004. Membership is determined by the Social Welfare (Reciprocity Agreements, and New Zealand Artificial Limb Service) Act 1990, which provides the nominating bodies and has a significant influence on the composition of the Board. Board members at the reporting date are:



George Reedy
Chair

George, from Ngāti Porou, has a background in business, non-government organisations and the public sector. A Chartered Accountant with an MBA by profession, his main roles concentrate on strategy and business development, especially in online digital environments, and owning and operating businesses in the Telco and IT sectors from start-ups to large enterprises.

George's recent Chief Executive roles have been leading Kaupapa Māori entities to sustainably service whānau in health, housing and social outcomes.

He has a keen interest in supporting Māori economic development initiatives.



John McKie
Board Member

John is a New Zealand trained Orthopaedic Surgeon working at Christchurch Hospital since 1994. He has interests in lower limb orthopaedics including joint replacements and revision surgery of the hip, knee and ankle, deformity correction, post-traumatic reconstruction, leg lengthening, and paediatric orthopaedics.

John started working as a consultant for the Artificial Limb Service in 1994 and set up the Osseointegration service in 2012 which he continues to lead.

John is also an examiner in Orthopaedic Surgery for the Royal Australasian College of Surgeons.



Kevin Ross
Board Member

Kevin has a 30-year background with the Whanganui District Council, serving as the Chief Executive for 7 years, before retiring in 2015. Kevin has considerable experience dealing with most sectors of the community and in later years has focussed on developing genuine and committed partnerships with local iwi.

Kevin currently chairs the Tararua District Council Audit and Risk Committee. He is also a member of the Whanganui Bushy Park Sanctuary Board and was a member of the 2017 World Masters Games Company. While he represented New Zealand in badminton, Kevin's son represented New Zealand in cycling at the London Paralympics.



Dr Cynthia Bennett

Board Member

Cynthia is a Medical Doctor having gained specialist training from Mayo Clinic in Physical Medicine and Rehabilitation in the USA. She practices Rehabilitation Medicine as a Fellow of the Australasian Faculty of Rehabilitation Medicine (AFRM)—the Royal Australasian College of Physicians (RACP) here in New Zealand.

Cynthia currently acts as a covering Consultant for ABI Rehabilitation New Zealand, LLC. She is the immediate past Chair of the New Zealand Branch of the Australasian Faculty of Rehabilitation Medicine (AFRM).



Kate Horan

Board Member

At the age of five Kate had her leg amputated due to fibulae hemimelia but has not let the loss of her leg limit her. A dual Paralympian in Athletics and Cycling (winning silver in the 200m in Beijing in 2008), Kate has a wonderful appreciation of the importance of activity for people living with disability.

At ParaFed Wellington, Kate and the team have developed an amazing youth activity programme that will have life-long social and health benefits for those involved. Kate brings valuable experience on what is required to deliver a patient-centred service and the role that technology can play in removing the barriers to participation.

Kate is a proud mother of three sons and is also a grandmother to four grandchildren.



Stuart Burns

Board Member

Stuart has a finance and governance background and is a Fellow Chartered Accountant and Chartered Member of the NZ Institute of Directors. He has held numerous governance roles in positions with listed and private companies along with trusts. These organisations have operated in the areas of health, horticulture, foodstuffs, commercial property, iwi investment and philanthropy. As the former Chief Executive of the Rotorua Trust, he also has extensive experience in the not-for-profit sector.

His interest in the activities of Peke Waihangā was fostered following his wife's below-knee amputation which resulted from a treatment infection following an injury.

Board Member Remuneration

The total value of remuneration paid or payable to each Board member during the year was:

	Actual 2024 \$000	Actual 2023 \$000
G. Reedy	25	25
C. Bennett	9	9
J. Mckie	9	9
K. Horan	9	9
K. Ross	9	9
S. Burns	9	9
Total Board member remuneration	73	73

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

No Board members received compensation or other benefits in relation to cessation (2023: nil).



Statement of Performance Expectations 2023/24

The following set of measures which are aligned to the Strategic Objectives from our 2020-2024 Statement of Intent were agreed by the responsible Minister and Peke Waihanga.

Summary of Statement of Performance Expectations 2023/24

We said we would:

1. Proactively seek Te Whatu Ora orthotic service contracts:


- One new orthotic service contract and 3 renewed.

2. Progress the replacement of the Auckland Centre roof:

- This has been expanded to a building project which includes the addition of a second story to the centre and is scheduled to start in the 2024-25 year.

3. Establish new patient management system and financial solution (see page 29 for details on the completion of this Manaaki project).

Output, impact and outcome performance measures and standards	2023/2024 Targets	2023/2024 Results
Patient Feedback		
Independence and productivity outcome	85%	93%
Satisfaction with our service	85%	96%
Trust and confidence in our team	85%	97%
Expert Workforce		
Average number of training and professional development days per full time equivalent staff member	10	10
Percentage of Peke Waihangā clinical and technical employees who hold recognised certification and/or qualifications	100%	100%
Orthotic Service interventions	400	15,393
Patients offered peer support services	100%	100%
Percentage of active amputees in our service with a Key Worker	100%	100%
Percentage of new amputees prescribed a prosthesis with improved independence and mobility assessed using 'Amputee Mobility Predictor' within 18 months of fitting a new artificial limb	80%	Data is not available while information technology is under development
Technology, Research and Development		
Minimum number of 3D printed devices	300	634
Number of collaborative research projects undertaken on issues designed to improve the provision of services to our patients	2	2
Impact & Equity		
Yearly reach in users/followers via: <ul style="list-style-type: none"> Peke Waihangā, Orthotic Service and Peer Support Service websites combined Facebook Instagram LinkedIn 	30,000 450 350 650	31,582 589 515 955
Minimum number of business days that services are available to patients through all seven Peke Waihangā centres	230	249
Minimum number of regional clinics held	40	137



Tauāki Pūtea

Financial Statements

Statement of Responsibility

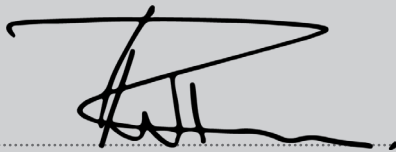
For the year ended 30 June 2024

We are responsible for the preparation of the financial statements for Peke Waihanga and the performance information and judgements made in them.

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

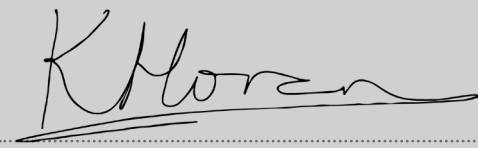
We have the responsibility for establishing and maintaining a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In our opinion, these financial statements and performance information fairly reflect the financial position and operations of Peke Waihanga for the year ended 30 June 2024.



Kevin Ross
Board Member

17 January 2025



Kate Horan
Board Member

17 January 2025

Independent Auditor's Report

To the readers of Peke Waihanga – New Zealand Artificial Limb Service's financial statements for the year ended 30 June 2024

The Auditor-General is the auditor of Peke Waihanga – New Zealand Artificial Limb Service (Peke Waihanga). The Auditor-General has appointed me, Chris Webby, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of Peke Waihanga on his behalf.

Opinion

We have audited:

- the financial statements of Peke Waihanga on pages 53 to 77, that comprise the statement of financial position as at 30 June 2024, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion:

- the financial statements of Peke Waihanga:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards.

Our audit was completed on 17 January 2025. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our

responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

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

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

Responsibilities of the Board for the financial statements

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

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

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

Responsibilities of the auditor for the audit of the financial statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements.

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

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

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

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our

opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Peke Waihanga’s internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Peke Waihanga’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause Peke Waihanga to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board is responsible for the other information. The other information comprises the information included on pages 3 to 45, and 52, but does not include the financial statements, and our auditor’s report thereon.

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

Independence

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

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

A handwritten signature in blue ink that reads "Chris Webby". The signature is written in a cursive, slightly slanted style.

Chris Webby
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand

Financial Results

The Statement of Comprehensive Revenue and Expense shows gross operating revenue (excluding interest and rent) of \$37,105,000 which is an increase of 3% on the previous year of \$35,972,000. Revenue is derived principally from contracts with the Accident Compensation Corporation for trauma-based amputees, Health NZ, which manages the national contract for amputees with illness-based amputations, congenital limb deficiencies or long-standing trauma-based amputations and for provision of Orthotic Services in the Auckland, Waikato, Bay of Plenty, Christchurch and West Coast regions. Revenue is also received from payments on behalf of war amputees, private insurers, health benefits and private supply.

Operational costs for the year totalled \$37,736,000 (2023: \$34,577,000) resulting in a deficit of \$352,000. This follows a surplus last year of \$1,510,000.

The financial position of Peke Waihanga remains strong with \$23,689,000 (2023: \$24,041,000) in reserves.

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2024

	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Revenue				
Government contract funding	2	36,773	31,497	34,530
Other operating revenue	2	332	-	496
Government grant		-	-	842
Interest revenue		212	180	115
Rent recieved		67	-	-
Reverse of impairment loss	9	-	-	104
Total revenue		37,384	31,677	36,087
Expenses				
Personnel costs	3	14,210	11,863	12,182
Depreciation and amortisation expense	9	818	683	572
Material costs		18,217	15,533	17,715
Other expenses	4	4,491	3,995	4,108
Total expenses		37,736	32,074	34,577
Surplus/(deficit)		(352)	(397)	1,510
Other comprehensive revenue and expense				
Total comprehensive revenue & expense		(352)	(397)	1,510

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2024

	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Assets				
Current assets				
Cash and cash equivalents	5	3,102	812	6,122
Receivables	6	4,677	3,300	3,604
Investments	7	1,326	2,415	1,258
Prepayments		194	50	183
Inventories	8	3,329	3,217	2,980
Total current assets		12,628	9,794	14,147
Non-current assets				
Property, plant and equipment	9	15,310	18,407	14,534
Intangible assets		-	250	-
Total non-current assets		15,310	18,657	14,534
Total assets		27,938	28,451	28,681

Statement of Financial Position (continued)

As at 30 June 2024

	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Current liabilities				
Payables	10	2,545	3,844	3,194
Revenue in advance		35	35	35
Employee entitlements	11	1,503	822	1,271
Total current liabilities		4,083	4,701	4,500
Non-current liabilities				
Employee entitlements	11	166	170	140
Total non-current liabilities		166	170	140
Total liabilities		4,249	4,871	4,640
Net assets		23,689	23,580	24,041
Equity				
General funds		23,689	23,580	24,041
Total equity	12	23,689	23,580	24,041

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2024

	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Balance at 1 July		24,041	23,977	16,738
Total comprehensive revenue & expense		(352)	(397)	1,510
Crown capital contribution		-	-	5,793
Balance at 30 June	12	23,689	23,580	24,041

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2024

	Note	Actual 2024 \$000	Budget 2024 \$000	Actual 2023 \$000
Cash flows from operating activities				
Receipts from government contract funding		35,447	31,697	34,324
Receipts from other revenue		652	-	496
Receipts from government grants		-	-	842
Interest received		212	180	100
Payments to suppliers		(23,717)	(19,166)	(22,144)
Payments to employees		(13,952)	(11,913)	(11,972)
Net cash from operating activities		(1,358)	798	1,646
Cash flows from investing activities				
Purchase of investments		(1,497)	(180)	(1,421)
Receipts from maturity of investments		1,429	-	1,390
Purchase of property, plant & equipment		(1,594)	(5,220)	(3,985)
Net cash from investing activities		(1,662)	(5,400)	(4,016)
Cash flows from financing activities				
Crown capital contribution		-	-	5,793
Net cash from financing activities		-	-	5,793
Net increase/(decrease) in cash and cash equivalents		(3,020)	(4,602)	3,423
Cash and cash equivalents at the beginning of the year		6,122	5,414	2,699
Cash and cash equivalents at the end of the year	5	3,102	812	6,122

Explanations of significant variances against budget are detailed in note 18.

The accompanying notes form part of these financial statements.

Statement of Cash Flows (continued)

For the year ended 30 June 2024

Reconciliation of surplus/(deficit) to net cash flows from operating activities

	Actual 2024 \$000	Actual 2023 \$000
Surplus/(deficit)	(352)	1,510
Add/(less) non-cash items		
Depreciation and amortisation expense	818	572
Reversal of impairment loss	-	(100)
Loss on disposal of plant and equipment	-	26
Write-down of intangible assets	-	168
Total non-cash items	818	662
Add/(less) movements in working capital items		
(Increase)/decrease in receivables	(1,073)	(221)
(Increase)/decrease in prepayments	(11)	(132)
(Increase)/decrease in inventories	(349)	512
Increase/(decrease) in payables	(649)	(895)
Increase/(decrease) in revenue in advance	-	-
Increase/(decrease) in employee entitlements	258	210
Net movement in working capital items	(1,824)	526
Net cash flow from operating activities	(1,358)	1,646

Notes to the Financial Statements

1. Statement of accounting policies for the year ended 30 June 2024

Reporting entity

Peke Waihanga – Artificial Limb Service is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. The relevant legislation governing Peke Waihanga operations include the Crown Entities Act 2004 and the Artificial Limb Service Act 2018. The ultimate parent of Peke Waihanga is the New Zealand Crown.

The primary objective of Peke Waihanga is to provide artificial limb related services to the New Zealand public. Peke Waihanga does not operate to make a financial return.

Peke Waihanga has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements for Peke Waihanga are for the year ended 30 June 2024, and were approved by the Board on 17 January 2025.

Basis of preparation

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

Statement of compliance

The financial statements of Peke Waihanga have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with GAAP in New Zealand.

Peke Waihanga is a Tier 1 PBE. The financial statements have been prepared in accordance with and comply with the PBE Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values rounded to the nearest thousand dollars (\$000), except for related party disclosures in Note 15. Related party

disclosures are rounded to the nearest dollar.

Standards issued and not early adopted

There are no standards relevant to Peke Waihanga that have not been adopted early.

Early adoption of Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1)

These amendments change the required disclosures for fees relating to services provided by the audit provider, including a requirement to disaggregate the fees into specified categories.

Peke Waihanga has early adopted this amendment. There was no impact on adoption.

Summary of significant accounting policies

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

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

Foreign currency transactions

Foreign currency transactions are translated into New Zealand dollars (the functional currency) using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the surplus or deficit.

Peke Waihanga does not currently use forward exchange contracts to hedge exposure to foreign exchange risk.

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and

payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

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

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

Commitments and contingencies are disclosed exclusive of GST.

Income tax

Peke Waihangā is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

Budget figures

The budget figures are derived from the Statement of Performance Expectation as approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board for the preparation of the financial statements and have not been audited.

Critical accounting estimates and assumptions

In preparing these financial statements, Peke Waihangā has made estimates and assumptions concerning the future.

These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment

to the carrying amounts of assets and liabilities within the next financial year are

- Estimating the useful lives and residual values of property, plant and equipment – refer to Note 9.
- Estimating the fair value of buildings – refer to Note 9.

Changes in accounting policies

This is the first year Peke Waihangā has prepared its financial statements under the Tier 1 PBE reporting requirements.

The transition to the Tier 1 PBE reporting requirements has only affected disclosures. There is no impact on the amounts previously recognised.

Peke Waihangā has also taken the opportunity to review the layout and content of the financial statements.

The main changes to the financial statements arising from these matters are outlined in Note 18.

2. Revenue

Accounting policy

Revenue is measured at the fair value of the consideration received or receivable. The specific accounting policies are explained below.

Provision of prosthetic services

Peke Waihanga receives funding from a contract with Te Whatu Ora for the national contract for amputees with illness-based amputations, congenital limb deficiencies or long-standing trauma-based amputations.

This is a bulk funding contract, the funding of which is restricted in its use to the purpose of meeting contract service specifications.

Peke Waihanga also receives revenue from a contract with the Accident Compensation Corporation for trauma-based amputees for the supply of specific goods and services supplied to amputees of the Accident Compensation Corporation.

Revenue is recognised when the services or products are delivered.

Provision of orthotic services

Revenue derived through the provision of services to third parties is recognised when the services or products are delivered.

Provision of other services

There are no standards relevant to Peke Waihanga that have not been adopted early.

Government grant

Peke Waihanga received a grant from the Government during the 30 June 2023 year to cover additional operating costs incurred not in the normal course of business.

This funding is restricted in its use per the scope of the relevant appropriation of the funder.

There were no conditions attached to the funding and it was recognised as revenue at the point of entitlement. This is considered to be at the start

of the appropriation period to which the funding relates.

Interest revenue

Interest revenue is recognised by accruing on a time proportion basis the interest due for the investment.

Exchange vs. non-exchange

The various revenue sources have been reviewed to determine whether they are exchange or non-exchange transactions. Exchange transactions are transactions in which one entity receives assets or services and directly gives approximately equal value to another entity in exchange.

Peke Waihanga has treated all its revenue as exchange transactions except for the Government grant.

3. Personnel costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Defined contribution schemes

Obligations for contributions to KiwiSaver and the Peke Waihanga - Artificial Limb Service Superannuation Scheme with New Zealand Retirement Trust, are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit as incurred.

Defined benefit schemes

Peke Waihanga makes employer contributions to the Defined Benefit Plan Contributors Scheme

(the scheme), which is managed by the Board of Trustees of the National Provident Fund.

The scheme is a multi-employer-defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine, from the terms of the scheme, the extent to which the deficit will affect future contributions by employers, as there is no prescribed basis for allocation. Therefore, it is accounted for as a defined contribution scheme.

Breakdown of personnel cost

	Actual 2024 \$000	Actual 2023 \$000
Salaries and wages	13,547	11,623
Employer contributions to superannuation schemes	405	349
Increase in employee entitlements (note 11)	258	210
Total personnel costs	14,210	12,182

4. Other expenses

Breakdown of other expenses

	Actual 2024 \$000	Actual 2023 \$000
Fees to auditor – audit fees for financial statement audit	68	64
Board members' fees	73	73
Board members' expenses	20	9
Cleaning & laundry	247	203
Computer expense	1,120	822
Legal expense	91	77
Operating lease expense	541	385
Other operating expenses	2,331	2,475
Total other expenses	4,491	4,108

5. Cash and cash equivalents

Accounting policy

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

Breakdown of cash and cash equivalents and further information

	Actual 2024 \$000	Actual 2023 \$000
Cash on hand and at bank	2,060	5,120
Term deposits with original maturities less than three months	1,042	1,002
Total cash and cash equivalents	3,102	6,122

While cash and cash equivalents are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance is trivial.

6. Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECLs). Peke Waihanga applies the simplified ECL model of recognising lifetime ECLs for short-term receivables

Breakdown of receivables and further information

	Actual 2024 \$000	Actual 2023 \$000
Trade debtors	4,296	3,179
Other receivables	350	400
Interest accrual	31	25
Total receivables (exchange transactions)	4,677	3,604

Receivable days past due

	Current	One month	Two months	Three months
Days past due				
30 June 2024	3,353	142	56	745
30 June 2023	2,770	390	28	416

The ECL rates for receivables at 30 June 2024 (nil) and 30 June 2023 (nil) are based on the payment profile of revenue on credit over the prior two years at the measurement date and the corresponding historical credit losses experienced for that period.

The historical loss rates are adjusted for current and forward-looking macroeconomic factors that might affect the recoverability of receivables.

Given the short period of credit risk exposure, the effect of macroeconomic factors is not considered significant.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

7. Investments

Accounting policy

Bank term deposits are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. A loss allowance for ECLs is recognised if the estimated loss allowance is not trivial.

Breakdown of investments and further information

	Actual 2024 \$000	Actual 2023 \$000
Term deposits with original maturities greater than three months	1,326	1,258

Peke Waihanga considers there has not been a significant increase in credit risk for investments in term deposits because the issuer of the investment continues to have low credit risk at the balance date. Term deposits are held with banks that have a Moody's A1 investment grade credit rating, which is an upper-medium grade and indicates low credit risk.

No loss allowance for ECLs has been recognised because the estimated amount is trivial.

8. Inventories

Accounting policy

Inventories are held for the provision of goods and services and measured at the lower of cost (calculated using the weighted average cost method) and net realisable value.

Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition. Inventories include materials on hand and work in progress.

Inventories classified as work in progress are valued at the weighted average cost of the materials plus the cost of labour.

Breakdown of inventories and further information

	Actual 2024 \$000	Actual 2023 \$000
Materials	2,041	1,367
Work in progress	1,288	1,613
Total inventories	3,329	2,980

Peke Waihanga does not currently hold any inventory for distribution (2023: nil).

Peke Waihanga has a provision for obsolete stock of \$175,990 (2023: \$235,852).

There are no inventories pledged as security for liabilities. However, some inventories are subject to retention of title clauses until paid for in full.

During the period, the board approved the write-off of stock of nil (2023: \$49,268).

9. Property, plant and equipment

Accounting policy

Property, plant and equipment asset classes consist of buildings, leasehold upgrades, plant and equipment, furniture and fittings, computer equipment and vehicles.

Buildings are measured at fair value, less depreciation and impairment. All other asset classes are measured at cost, less any accumulated depreciation and impairment losses.

Revaluations

Buildings at Auckland, Wellington and Christchurch are valued with sufficient regularity to ensure that the carrying amount does not differ materially from their fair value and at least every three years. The carrying values of these property assets are assessed annually to ensure that they do not differ materially from their fair value.

The net revaluation results are credited or debited to other comprehensive revenue and expense and accumulated to the building asset revaluation reserve in equity. Where this would result in a negative balance in the building asset revaluation reserve, this balance is recognised in the surplus or deficit as an expense. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit as an expense will be recognised first in the surplus or deficit as revenue up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to Peke Waihanga and the cost of the item can be measured reliably.

An item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the

asset is obtained.

Disposals

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

When revalued assets are sold, the amounts included in the revaluation reserve in respect of those assets are transferred to general funds within equity.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Peke Waihanga and the cost of the item can be measured reliably.

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

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives.

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

Buildings	50 years	(2%)
Leasehold upgrades	4.75 to 50 years	(2%-21%)
Plant and equipment	10 years	(10%)
Furniture and fittings	5 years	(20%)
Computer equipment	3 years	(33%)
Vehicles	5 years	(20%)

Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount.

For revalued building assets, the recognition of impairment losses and reversals follows the accounting policy above for building revaluations. For assets carried at cost, impairment losses and reversals are recognised in the surplus or deficit.

Critical accounting estimates and assumptions

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

At each balance date, the useful lives and residual values of property, plant and equipment are reviewed.

Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires a number of factors to be considered such as the physical condition of the asset, expected period of use of the asset by Peke Waihanga, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will affect the depreciation expense and amortisation recognised in the surplus or deficit

and the carrying amount of the asset in the statement of financial position. Peke Waihanga minimises the risk of this estimation by physical inspection of assets and review of second-hand market prices for similar assets.

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

Estimating the fair value of buildings

The most recent valuation for buildings is effective from 30 June 2023:

- Auckland – 7 Horopito Street - performed by an independent registered valuer J. McKenzie of Bayleys Valuations Limited. Valuation of \$3.44 million.
- Wellington – Level 1, 42 Mein Street - performed by an independent registered valuer P. Butchers of Bayleys Valuations Limited. Valuation of \$3.30 million.
- Christchurch – 330 Burwood Rod - performed by an independent registered valuer A. Campbell of Bayleys Valuations Limited. Valuation of \$6.03 million.

Valuation approach

The Auckland, Wellington, and Christchurch Centres are on land leased from the Crown at nominal rents. Peke Waihanga owns the buildings on the leased land.

The valuation for these properties estimates the fair value of Peke Waihanga's lessee's interest in the properties. This approach results in capturing the value of both the owned buildings and the value of the remaining term of the leased land.

The valuations used two approaches in estimating fair value:

- Capitalisation of income method, with a leasehold adjustment applied to reflect the remaining term of the lease.
- Present valuation of rental benefit approach. This approach determines the net present value of the benefit that Peke Waihanga receives from not having to pay market rent over the remaining term of the lease.

Key valuation assumptions

- The valuations use comparable market-based rental and sales evidence, based on the highest and best use of the land.
- There are no significant asbestos issues with the buildings.
- For the income capitalisation method, capitalisation rates are market-based rates of return and ranges from 6.0% to 6.5%.
- For the present value of the rental benefit approach, a discount rate ranges from 7.5% to 9.0%.

Breakdown of property, plant and equipment and further information

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

	Leasehold upgrades \$000	Buildings \$000	Building under construction \$000	Plant & equip. \$000	Furniture & fittings \$000	Computer equip. \$000	Vehicle \$000	Total \$000
Cost or valuation								
Balance at 1 July 2022	252	8,479	2,796	1,643	567	733	-	14,470
Additions	-	-	3,113	306	191	178	197	3,985
Disposals	-	-	-	(36)	-	-	-	(36)
Transfer of class	-	5,909	(5,909)	-	-	-	-	-
Balance at 30 June and 1 July 2023	252	14,388	-	1,913	758	911	197	18,419
Additions	994	4	186	176	59	171	4	1,594
Disposals	-	-	-	(4)	-	-	-	-
Balance at 30 June 2024	1,246	14,392	186	2,085	817	1,082	201	20,009
Accumulated depreciation and impairment losses								
Balance at 1 July 2022	12	1,550	-	972	329	564	-	3,427
Depreciation expense	1	211	-	139	91	126	4	572
Impairment gains	-	(104)	-	-	-	-	-	(104)
Eliminate on disposals	-	-	-	(10)	-	-	-	(10)
Balance at 30 June and 1 July 2023	13	1,657	-	1,101	420	690	4	3,885
Depreciation expense	18	344	-	159	114	143	40	818
Disposals	-	-	-	(4)	-	-	-	-
Balance at 30 June 2024	31	2,001	-	1,256	534	833	44	4,699
Carrying amounts								
At 1 July 2022	240	6,929	2,796	671	238	169	-	11,043
At 30 June and 1 July 2023	239	12,731	-	812	338	221	193	14,534
At 30 June 2024	1,215	12,391	186	829	283	249	157	15,310

There are no restrictions over the title of Peke Waihanga plant and equipment, nor are there any plant and equipment pledged as security for liabilities.

10. Payables

Accounting policy

Short-term payables are recorded at the amount payable.

Breakdown of payables and further information

	Actual 2024 \$000	Actual 2023 \$000
Payables under exchange transactions		
Creditors	1,679	2,169
Accrued expenses	271	845
Total creditors and other payables under exchange transactions	1,950	3,014
Payables and deferred revenue under non-exchange transactions		
GST	595	180
Total payables	2,545	3,194

Creditors and other payables are non-interest-bearing and are normally settled on 30-day terms.

11. Employee entitlements

Accounting policy

Short-term employee entitlements

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

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

Long-term entitlements

Long service leave entitlements that are payable beyond 12 months have been calculated on an actuarial basis.

The calculations are based on:

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

Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability.

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

Breakdown of employee entitlements

	Actual 2024 \$000	Actual 2023 \$000
Current employee entitlements are represented by		
Accrued salaries and wages	709	592
Annual leave	720	608
Sick leave	22	22
Long service leave	52	49
Total current portion	1,503	1,271
Non-current employee entitlements are represented by		
Long service leave	166	140
Total non-current portion	166	140
Total employee entitlements	1,669	1,411

12. Equity

Accounting policy

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

- general funds; and
- building revaluation reserve.

Building revaluation reserve

This reserve relates to the revaluation of buildings to fair value. The balance of the reserve is presently nil due to previously recognised downward revaluation movements.

Breakdown of general funds and further information

	Actual 2024 \$000	Actual 2023 \$000
Balance at 1 July	24,041	16,738
Surplus/(deficit)	(352)	1,510
Crown capital introduced	-	5,793
Balance at 30 June	23,689	24,041

Peke Waihanga's capital is its equity. This comprises general funds and the building revaluation reserve. Equity is represented by net assets.

Peke Waihanga is subject to the financial management and accountability provisions of the Crown Entities Act 2004. This imposes restrictions in relation to borrowings, acquisition of securities, issuing of guarantees and indemnities, and the use of derivatives.

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

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

13. Capital commitments and leases

Operating leases as lessee

Accounting policy

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Peke Waihanga are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the surplus or deficit.

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

	Actual 2024 \$000	Actual 2023 \$000
Not later than one year	450	391
Later than one year and not later than five years	1,447	714
Later than five years	353	191
Total non-cancellable operating leases	2,250	1,296

Peke Waihanga has commercial leases on the following properties:

- National Office renewed the lease on 1 September 2024 for a six-year term. The annual rent is \$100,225.
- Auckland Centre renewed a lease on 18 April 2023 for an eight-year term. The annual rent is \$111,800. This lease may be terminated by either party with four months notice.
- Auckland Centre also entered into another lease on 17 April 2023 for commencement on 1 September 2023 for an annual rent of \$133,960.
- Tauranga Centre (Fraser Street) renewed the lease on 1 June 2023 for a further three-year term. The annual rent is \$68,750.
- Tauranga Centre (Cameron Road) entered into a new lease on 25 March 2022 for a three-

year term. The annual rent is \$50,142.

- Dunedin Centre lease a three-year variation was verbally agreed, extending the lease to April 2020. No rent is payable with fixed outgoings of \$20,754 per annum. Peke Waihanga continues to occupy these premises. No new lease has yet been negotiated.

Finance leases as lessee

Accounting policy

Leases that transfer substantially all the risks and rewards incidental to ownership of an asset to the Peke Waihanga are classified as a finance lease.

Significant accounting policy judgement

The Auckland, Wellington and Christchurch Centres are on land leased from the Crown at nominal rents.

The leases expire as follows:

- Auckland – June 2075
- Wellington – June 2079
- Christchurch – June 2045

These leases have been assessed as a finance lease. The accounting for leases at nominal rents is not presently addressed by the accounting standards.

Due to this lack of clarity, there are different acceptable interpretations on the accounting approach for such leases.

Peke Waihanga has elected to record no finance lease liability due to the highly immaterial lease payments. However, the valuation for these properties estimates the fair value of Peke Waihanga's lessee's interest in the land. This approach results in capturing the value of both the owned buildings and the value of the below market rental benefit of the leased land.

14. Contingencies

Contingent assets

Peke Waihanga has no contingent assets (2023: nil).

Contingent liabilities

Peke Waihanga has no contingent liabilities (2023: nil).

15. Related party transactions

Breakdown of related party transactions

Key management personnel compensation	Actual 2024 \$	Actual 2023 \$
Board Members		
Remuneration	72,700	72,700
Full-time equivalent members	1.0	1.0
Leadership Team		
Remuneration	1,170,722	1,226,539
Full-time equivalent personnel	6.47	7.72
Total key management personnel remuneration	1,243,422	1,299,239
Total full time equivalent personnel	7.47	8.72

Except as noted below, there are no transactions outside normal supplier or recipient relationship on terms and conditions no more or less favourable than those that it is

reasonable to expect Peke Waihanga would have adopted in dealing with the party at arm's length in the same circumstances.

As noted at note 13, Peke Waihanga has a property lease agreement at nominal rental with the Crown.

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

16. Further information on financial instruments

Categories of financial instruments

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

	Actual 2024 \$000	Actual 2023 \$000
Financial assets measured at amortised cost		
Cash on hand at bank	3,102	6,122
Term deposits	1,326	1,258
Receivables	4,677	3,604
Total financial assets measured at amortised cost	9,105	10,984
Financial liabilities measured at amortised cost		
Payables	2,545	3,194
Total financial liabilities measured at amortised cost	2,545	3,194

Financial instrument risks

Peke Waihanga is party to financial instrument arrangements as part of its everyday operations. These include instruments such as bank balances, accounts receivable, term deposits and accounts payable. The fair value of our financial instruments is approximated by their carrying value.

Peke Waihanga does not have any gains or losses on its financial instruments and no impairments have been recognised to date.

Credit risk

Credit risk is the risk that a third party will default on its obligations to Peke Waihanga, causing Peke Waihanga to incur a loss.

Peke Waihanga is exposed in the normal course of its business, to credit risk from cash and term deposits with banks, and receivables. For each of these, the maximum exposure to credit risk is best represented by the carrying amount in the statement of financial position arising from debtors. Default is considered by management to be unlikely, and the probable exposure has been determined as negligible.

Cash at bank is held with BNZ, who have a Moody's credit rating of A1.

All term deposits are invested with Kiwibank, who have a Moody's credit rating of A1.

The majority of receivables are due from central government-related entities. About 43% (2023: 49%) of this is due from ACC.

Credit facilities

Peke Waihanga does not have bank overdraft facilities as of 30 June 2024 (2023: nil).

Liquidity risk

Liquidity risk is the risk that Peke Waihanga will encounter difficulty meeting commitments as they fall due.

Peke Waihanga maintains a target level of available cash to meet liquidity requirements.

Peke Waihanga considers that it does not have a significant liquidity risk as it ensures it has adequate working capital coverage at all times.

17. Explanation of significant variances against budget

Explanations for significant variations from the Peke Waihanga budgeted figures in the Statement of Performance Expectations are as follows:

Operating expenses

The increase in operating expenditure is a direct result of the increased revenue earned.

Statement of revenue and expense

Revenue

The additional Government contracted revenue over that budgeted has principally been generated from the continued growth of our orthotic income in Auckland, Waikato and Bay of Plenty, plus the new orthotic contract with Te Whatu Ora Canterbury.

18. Financial statement changes

This is the first year that Peke Waihanga has prepared its financial statements under the Tier 1 PBE reporting requirements.

Peke Waihanga has also taken the opportunity to review the layout and content of the financial statements.

The sections below outline the main changes to the financial statements compared to the 30 June 2023 financial statements.

It is impractical to cover all the changes made.

Transition to the Tier 1 requirements

The main disclosures added to the financial statements due to the transition to the Tier 1 requirements are:

- Statement of cash flows – A reconciliation of the surplus/(deficit) for the year to the net cash flows from operating activities.
- Notes 5 and 7 – Expected credit loss information.
- Note 9 – The methods and significant assumptions used in estimating the fair value of buildings, including the lessee's interest in the land.
- Note 12 – How Peke Waihanga manages its financial capital.
- Note 16 – Credit quality and concentration information for financial assets held.

Presentation changes to main statements

Changes made to the primary financial statements and the associated impact on the comparative information are:

- Material costs (\$17.715 million for the year ended 30 June 2023) have been disaggregated from other expenses and presented as a separate line in the statement of comprehensive revenue and expense. This change is to give more prominence to the item.
- In accordance with PBE IPSAS 1 *Presentation of Financial Statements*, a surplus/(deficit) line has been added to the statement of comprehensive revenue and expense. The amount is the same as the reported total comprehensive revenue and expense for the year ended 30 June 2023.

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