



# Southern Cross Health Trust 2023 Annual Report



# Contents

Message from the Chair and CEO	02
About Southern Cross Health Trust	04
Financial performance	05
Community impact	06
• Pause Breathe Smile	
• Southern Cross Round The Bays	
• Charitable Surgery Programme	
• Te Tapu Atawhai Auckland City Mission	
Southern Cross Healthcare	10
• Our services	
• Our people	
• Workforce development	
Key projects and initiatives delivered in 2023	14
Reducing our environmental impact	18
Statement of governance	19
Board of Trustees	22
Financial statements	25

# Message from the Chair and CEO



## Murray Jordan

Chair of Southern Cross Health Trust and Southern Cross Healthcare



## Chris White

CEO of Southern Cross Health Trust and Southern Cross Healthcare

## A refreshed strategy and exciting new goals in health and the community

Kia ora koutou.

In 2023 the Southern Cross Health Trust clarified its charitable strategy to be a market leader in social impact, improving health equity and outcomes for all New Zealanders.

As part of our commitment to support community-based initiatives we are proud to continue to fully fund Pause Breathe Smile, along with Southern Cross Health Society. This mind health programme helps primary and intermediate school children develop the skills and tools they need to face the future with confidence and resilience.

This year we partnered with Sir Ashley Bloomfield, the former Director-General of Health to help promote Pause Breathe Smile. Sir Ashley's determination to support good public health mirrors our own. This year's independent evaluation



of the programme by Dr Reuben Rusk continues to show how children and their teachers benefit, enhancing positive behaviours and reducing negative behaviours.

We're also delighted to have become the naming rights sponsor for Round the Bays in Auckland and have extended this support to the Wellington event in 2024. Encouraging tens of thousands of New Zealanders

to move and be active is a well-recognised pathway to good health.

Throughout 2023, Southern Cross Health Trust and our key subsidiary Southern Cross Healthcare, have taken some exciting steps toward a very bright future.

It is heartening to see how Southern Cross continues to play a very important role in delivering world-class



healthcare, working collaboratively and skilfully in partnership with some of the best specialists and providers in Aotearoa.

This year we cared for more than 95,000 patients through our hospital doors and supported nearly 80,000 people with work-related healthcare needs. More than 15,500 people were assisted with their mental health.

We are grateful for the ongoing skill and care New Zealanders have experienced from our 3,300 strong team across 102 sites of care. Our top priority is to deliver this care to the highest standard while ensuring our people are well-supported, always.

External events including Covid-19, Cyclone Gabrielle and economic ambiguity continue to have an impact, primarily on our workforce, where like every other healthcare provider, we must focus on retaining and attracting top talent. We are diligent in seeking ways to enhance our working environments and to offer clear and rewarding career pathways for our team.

This year, Southern Cross Healthcare established a new strategic plan with an ambitious vision: to help people live their best lives by reimagining healthcare. The strategy sets out a



10-year plan to enhance our existing network of facilities while responding to New Zealand's changing health ecosystem.

With this in mind, we continue to invest in our facilities and people, and to work in partnership with outstanding specialists and providers, extending our reach and positive impact on the community.

Of note are our recent joint venture partnerships, including orthopaedic services in Northland and endoscopy services in West Auckland.

This enables better access to quality elective care for more New Zealanders, as Southern Cross now has an extensive footprint covering almost every major city from the top to the bottom of Aotearoa. We continue to look for opportunities to extend this even further.

In closing, the Southern Cross Health Trust continues to meet the needs of New Zealanders in so many meaningful ways. We are thankful for our dedicated team, our excellent specialist group, and our other partners.

We invite you to take a look at the Trust's results for the last financial year and understand the difference we make in Aotearoa New Zealand.

*Ngā mihi nui*

**Murray Jordan**

Chair, Southern Cross Health Trust, and Southern Cross Healthcare

**Chris White**

CEO, Southern Cross Health Trust, and Southern Cross Healthcare

We are grateful for the ongoing skill and care New Zealanders have experienced from our

**3,300  
strong team**

across

**102  
sites of care**



# About Southern Cross Health Trust

Southern Cross Health Trust is a Charitable Trust established 46 years ago with a vision to give more New Zealanders access to timely, affordable, and quality private healthcare.

The Trust delivers this vision via the key subsidiary of the Trust, Southern Cross Healthcare Limited (Southern Cross Healthcare), which has a primary purpose of advancing the provision of quality care in Aotearoa New Zealand. Southern Cross Healthcare achieves this via its nationwide network of wholly owned and joint venture partnership hospitals, specialist centres, diagnostic services, and community-based health and wellness providers.

Across our nationwide network and at our national support office, we combine the skills of more than 3,300 people including nurses and anaesthetic technicians,

working with specialists, surgeons, anaesthetists, and allied health practitioners.

We take our responsibility to care for New Zealanders seriously. Our 'for purpose' ethos means we think in generations and the decades it takes to make truly transformational change. There has always been, and will always be, pressure in healthcare, however we strive to play a substantive, proactive and leading role in supporting the health and wellbeing of New Zealanders.

Our vision for the ongoing health of New Zealanders finds further expression in our social responsibility initiatives – funding charitable medical care, driving environmental sustainability, encouraging New Zealanders to be active and stay active, contributing to research, and supporting the mental resilience of New Zealand's children.



# Financial performance

The Southern Cross Health Trust continues to have a strong balance sheet which supports its important contribution to healthcare in Aotearoa New Zealand.

Trust revenues have increased significantly in FY23 to \$509 million from \$378 million in FY22, as we delivered care to more than 95,000 patients and tens of thousands more

New Zealanders through our partners and subsidiaries, in particular Southern Cross Healthcare.

The growth in revenue has enabled the Trust to report a surplus of \$10 million, all while investing in new initiatives. We are preparing for further careful and considered investments in FY24 and beyond.

Revenue increase from

**\$378 million** in FY22 to

**\$509 million** in FY23

We have 102 sites of care available throughout Aotearoa

**16** Southern Cross wholly owned & joint venture hospitals

**3** Raise


**27** Active+

**7** Specialist centres

**9** MedPro

**40** TBI Health

In the year to 30 June 2023, the Southern Cross Healthcare network cared for

**95,514** patients 

across our

**16** 

wholly owned and partnership hospitals

with the help of

 **1,172** surgeons and anaesthetists



# Community impact

In 2023, Southern Cross Health Trust continued to support a range of health and community initiatives which deliver to our purpose of providing healthcare in Aotearoa New Zealand.

## Pause Breathe Smile is working for our tamariki

We were delighted to welcome Sir Ashley Bloomfield as a mind health ambassador, to help us promote Pause Breathe Smile - a homegrown programme, developed in conjunction with the Mental Health Foundation, which gives children the skills to cope with life's ups and downs.

Recent research evaluating the efficacy of Pause Breathe Smile

shows just what a difference the programme is making. The frequency of positive behaviour in the classroom increased by 11.4 per cent and negative behaviour in the classroom reduced by 9.2 per cent. It's exciting to see 11.5 per cent of children go out of their way to be kind, and 10.9 per cent express genuine gratitude.

Southern Cross continues to fund Pause Breathe Smile (with Southern Cross Health Society) to ensure it is accessible to all primary and intermediate children free of charge, throughout Aotearoa New Zealand. To date more than 125,000 tamariki have been through the programme at more than 440 schools.



*"I'm very excited about supporting Pause Breathe Smile as a way to help our children be more resilient, positive, and ready to face challenging situations in their own lives. That Southern Cross funds the programme in its entirety, means any kura, primary or intermediate school can take part in a proven mindfulness programme which makes a practical difference every day."*

**Southern Cross mind health ambassador  
Sir Ashley Bloomfield**





## Southern Cross supports Round the Bays

2023 saw the inaugural year of Southern Cross Round the Bays, New Zealand's largest fun run.

Since the iconic event started in 1972 with 12,000 participants, New Zealanders have gathered pace and now, each year, close to 40,000 people join the 8.4km waterfront race from Auckland city centre to St Heliers Bay. Southern Cross has now taken up the naming rights for the Wellington Round the Bays event in 2024.

As champions for the health and wellbeing of New Zealanders, we wanted to throw our support behind an event that demonstrates this commitment and encourages people to have some fun and be active for their good health.

## Charitable Surgery Programme

We know certain elective procedures which help people maintain quality of life can be out of reach due to financial restrictions or prohibitive waiting times for publicly funded surgery. The Trust

offers support for patients in these circumstances in partnership with specialists and surgeons who offer to undertake these services pro bono.

When a surgeon nominates a patient for charitable surgery, the Trust provides support through the full funding of the facility, clinical staff and consumables relating to the procedure at one of our hospitals in the Southern Cross Healthcare network. The Trust has provided \$285,000 towards charitable surgical procedures this year.

## Te Tāpu Atawhai Auckland City Mission

Since 2008, Southern Cross Health Trust has supported Te Tāpu Atawhai Auckland City Mission by contributing towards the salaries of two nurses at the Mission's onsite Calder Health Centre.

The Mission's primary healthcare model is nurse-led, providing medical care on-site and in the community through an outreach service. The Calder Health Centre sees some of the most complex and high-needs clients in Auckland, many of whom are homeless, in crisis, have mental health concerns, or are battling addiction.

As part of a wider range of support services provided at HomeGround; the Mission's new premises completed in 2022, the Calder Health Centre has capacity to provide essential health support to 3,000 patients per year with five part-time GPs and four nurses at their purpose built seven-room facility.

The Centre also coordinates services with other health providers, including primary mental health services and social services to ensure clients can access wrap-around support for themselves and their whānau.



# Southern Cross Healthcare

Southern Cross Healthcare Limited is the key subsidiary of Southern Cross Health Trust, with a primary purpose to advance the provision of quality healthcare in Aotearoa New Zealand.

## Reimagining healthcare

This year, Southern Cross Healthcare established a new strategic plan with an ambitious vision: to help people live their best lives by reimagining healthcare. The strategy sets out a 10-year plan to enhance our existing network of facilities while responding to New Zealand's changing health ecosystem.


With patients at the centre, we will integrate and connect health and wellness services to provide end-to-end care, improving health experiences and outcomes for more New Zealanders.



## Our services

Southern Cross Healthcare operates a nationwide network of wholly owned and partnership hospitals, specialist centres, diagnostic services and community-based healthcare providers.

Southern Cross Healthcare provides care and support for the health and wellbeing of New Zealanders through surgical and medical procedures and delivers charitable healthcare services via a charitable surgery programme under the auspices of the Trust.

 **95,514** surgeries offered through our owned and partnership hospitals

 **48,282** people received **physical rehabilitation**

 **77,477** people received **health services**

 **15,696** people received **mental health support**

 **65,148** people received **virtual care treatments**

Southern Cross North Harbour Hospital  
North Shore Surgical Centre (joint venture)  
Southern Cross Auckland Surgical Centre  
Southern Cross Brightside Hospital  
Southern Cross Gillies Hospital  
Ormiston Hospital (subsidiary)

Auckland Radiation Oncology (ARO) (joint venture)  
Intra (joint venture)  
Waitematā Endoscopy (joint venture)

Southern Cross Hamilton Hospital

Southern Cross New Plymouth Hospital

Manuka Street Hospital, Nelson  
(joint venture)

### Complementary New Zealand-wide healthcare services

Active+ *Experts in rehabilitation & wellness*  
TBI Health *Injury management, wellbeing and rehabilitation*  
MedPro *Empowering workplace health & wellness*  
Raise *Standing for mental health & wellbeing*

Auckland Private Laundry Ltd

Southern Cross Northland Surgical Centre

Grace Hospital (joint venture)

Southern Cross Rotorua Hospital

Crest Hospital, Palmerston North  
(joint venture)

Southern Cross Wellington Hospital

Southern Cross Specialist Centre  
The Rutherford Clinic, Lower Hutt (joint venture)

Southern Cross Christchurch Hospital  
Southern Endoscopy Centre (joint venture)

Southern Cross Central Lakes Hospital,  
Queenstown (joint venture)

Southern Cross Invercargill Hospital



## Our people

Southern Cross Healthcare plays an active role in providing recognition, experience, professional development, and creating viable career pathways for clinical staff.

We employ and support team members nationwide in our national support office (NSO), and in our wholly owned and joint venture facilities. Southern Cross Healthcare holds valued relationships with credentialed surgeons and anaesthetists.



Number of **employees at NSO, wholly owned and partnership hospitals**

**2,834**



Number of **registered health practitioners employed at our wholly owned and partnership hospitals** e.g. registered nurses

**1,781**



Number of **credentialed surgeons and anaesthetists** associated with our wholly owned and partnership hospitals

**1,172**

Our employee engagement survey tool is provided by Kincentric, a global employee consulting and research organisation. **Our FY23 result is 7% higher than healthcare organisations in Australia and New Zealand (60%),** and down slightly compared to other NZ organisations (69%)



**67%**

## Workforce development

Southern Cross Healthcare invests in professional development to improve the skills and knowledge of the healthcare workforce in New Zealand to enhance patient outcomes and ensure patients receive world class healthcare.

We focus on the development of our nursing workforce as it directly supports the delivery of the Trust's purpose.

Southern Cross Healthcare develops and provides a variety of high-quality educational programmes to meet the needs of our growing workforce and the evolving healthcare environment.

One particular educational initiative stands out. In conjunction with the New Zealand Private Surgical Hospitals Association (NZPSHA), we have developed a programme to support Registered Nurses stepping up to undertake the role

of anaesthetic assistants. This increases the anaesthetic assistant workforce to provide more flexibility and responsiveness. The initiative has been shared nationally, across private and public health systems with many public hospitals taking advantage of the training programme. To date nearly 100 nurses have been through the programme in the public and private sector.

Southern Cross Healthcare's own Nurse Entry To Practice (NETP) programme has also been designed to guide and support newly registered nurses as they transition from student to registered nurse. Southern Cross hospitals are not eligible for government funding to support the training of nursing graduates in their first year of work. Despite this, we employ more NETP nurses annually than many hospitals in the public system.



**45 nurses**

enrolled/completed our  
**Registered Nurse Assistant to  
Anaesthetist training**



**40  
graduates**

participating in the **Nursing  
Entry To Practice programme**  
as of 30 June 2023

# Key projects and initiatives delivered in 2023

Southern Cross Healthcare seeks to make a positive impact on health outcomes for New Zealanders. Read on for just some of the stories in 2023 which highlight what our organisation does throughout the motu.

## West Auckland benefits from reduced wait times for endoscopies

Bowel cancer has the second highest cause of cancer deaths in New Zealand, so early treatment is essential, with endoscopy an integral part of early cancer detection and diagnosis. Now, West Auckland residents requiring private endoscopy services have reduced wait times for their appointments.

Waitematā Endoscopy, a joint venture partnership with Southern Cross Healthcare, offers patients a confirmed appointment within seven days of a GP or specialist referral. The Waitematā Endoscopy team will match patients with the availabilities of their experienced specialists.

Since the opening of its purpose-built Henderson clinic in 2020, in addition to its North Harbour clinic, Waitematā



Endoscopy has significantly increased its capacity to provide comprehensive endoscopy services. With the opening of a second endoscopy room at the Henderson clinic, patients have increased access to world-class endoscopy care in West Auckland.

The centres give people with upper gastrointestinal issues, coeliac disease, colon and bowel cancer and irritable bowel disease, access to a highly experienced team of 16 gastroenterologists, surgeons, and nurses. This significantly reduces wait times and eases the burden on the public health system.



## Southern Cross Rotorua Hospital industry wins award for innovative solution to nursing shortage

Southern Cross Rotorua Hospital was recognised this year for its approach to managing staffing challenges through the current worldwide nursing shortage, being awarded “2023 Non-Clinical Leaders in Quality Award” from the New Zealand Private Surgical Hospitals Association (NZPSHA). The hospital was recognised for its development of a new Collaborative Care model of nursing in late-2022 as a way to manage patient loads as the facility, facing staff shortages, struggled to recruit Registered Nurses (RNs).

With a focus on maintaining high levels of patient care, the RN team itemised

every aspect of its daily workload and analysed which tasks needed to be completed by an RN and which could be allocated to another trained non-licensed staff member under the delegation of a RN.

The hospital then hired four new Healthcare Assistants (HCAs) and gave them extra training to expand their roles. While HCAs often undertake tasks such as restocking linens and bandages or routine admin, the added training meant they could have more direct contact with patients, such as taking and recording vital signs, performing electrocardiograms, and mobilising post-operative patients. This model of nursing means the hospital has been able to add to its procedure list, and no longer needs to cancel procedure lists due to staffing shortages.



## Te Ao Māori - our journey

Our Te Tiriti responsibilities are an organisational priority, and we see our work in this space as fundamental to our focus on diversity, equity, and inclusion.

Throughout this financial year the Trust and Southern Cross Healthcare have made significant progress in our Te Ao Māori journey. Highlights include the appointment of a Nursing Advisor - Maori within the Nurses Directorate, participation by the leadership team

in the Te Kaa cultural competency programme and the appointment of an external Te Ao Māori advisor.

Other kaupapa to come includes more Te Kaa Māori courses for team members, a national Tikanga Policy to launch at the end of 2023, the completion of the Hospital Hauora Māori Committee, and the introduction of bilingual headings for patient information leaflets.

## Boosting care in the Far North

Southern Cross Healthcare and Northland Orthopaedic Centre joined forces this year, forming a new partnership – the Southern Cross Healthcare Northland Surgical Centre – which aims to bring more quality healthcare to the top of the country.

The 50:50 joint venture will support the existing clinic in Whangārei to

grow in order to meet the needs of the Northland region. Established more than 20 years ago, the clinic's focus is day-stay orthopaedic care for private patients and those referred via ACC and Te Whatu Ora.

Northland Orthopaedic Centre Chair Marc Hirner said the clinic had been looking for the right partner to help it expand its services to the region and it knew Southern Cross Healthcare was that partner with absolute alignment in purpose and ambition between both organisations.

Southern Cross Healthcare has a proven track record in successful joint ventures offering top-level care and the team is excited to work with the team at Northland Orthopaedics to increase the range and volume of healthcare to the people of Northland.

The new joint venture extends Southern Cross Healthcare's national network into the Far North, with the business now providing best-in-class care for patients from Northland to Southland.

## Supporting a healthy workplace

A key focus for Southern Cross Healthcare is to help New Zealand businesses, organisations and their people be more productive and to offer healthier working environments.

It's pleasing to see the positive results from workplace health businesses, MedPro and Raise, which support physical and mental wellbeing throughout Aotearoa. Southern Cross also celebrates our partnership with TBI and Active+ which has enabled tens of thousands of New Zealanders to get on top of physical health through rehabilitation and to get back into work.

In 2023, 77,477 people received work related health services, including workplace assessments, health checks, monitoring, vaccinations, rehabilitation, back to work assistance and mental health support.

**77,477** 

**people received work related health services in 2023**

### About MedPro and Raise

**MedPro** was initially founded by Registered Nurse Bella Winter in 2004 and built a solid reputation as a trusted workplace health services provider, serving organisations both big and small, as well as government departments across New Zealand.

Southern Cross Healthcare formed a joint venture with MedPro in 2018. The goal was to help support our proactive approach to improving the health, wellness and productivity of workplaces and their employees through delivery of vaccinations, health checks and other health testing services.

**Raise** is a leading provider of mental health and wellbeing support in New Zealand and offers trained practitioners, counsellors, psychologists, and other relevant providers throughout Aotearoa. Their services are funded by businesses that seek to provide their employees with practical



assistance whenever personal or work issues arise that may impact any area of their life or wellbeing. Raise also works with employers to develop strategies, interventions and training around workplace wellness, health and safety, workplace relationships, performance, careers, and morale.

With Southern Cross having moved from partial to full ownership in 2023, Raise and Medpro are being integrated into a market leading

workplace health proposition. This is an example of how Southern Cross will offer fully integrated solutions.

**MedPro**

Empowering workplace health and wellness

  
**raise**  
Standing for  
Mental Health  
& Wellbeing

## The future is here - new orthopaedic robots nationwide

Southern Cross Healthcare made a significant commitment to robotics technology this year, introducing 10 new orthopaedic robotic assisted platforms for use across our hospital network nationwide. Robotic platforms were installed at Southern Cross hospitals in Hamilton, New Plymouth, Rotorua, Wellington, Christchurch, Invercargill, and at Brightside and North Harbour hospitals in Auckland, boosting healthcare technology right around the country.

The introduction of these robots aligns with Southern Cross

Healthcare's ongoing commitment to innovation and to providing surgeons the facilities they need to deliver patients with the excellent care they deserve. The robotic platforms will provide appropriately trained specialists with additional techniques for knee replacements by giving surgeons with real-time information to make sure the implant is precisely placed, based on the patient's anatomy. The robotic assistant allows for a greater level of precision in cutting bone and reducing the soft tissue trauma at the time of the procedure. All these process innovations open up great potential for improved recovery times for patients.

## Southern Cross Hamilton Hospital awarded best Clinical Placement for Nursing Students

The Southern Cross Hamilton Hospital team was singled out by Te Pūkenga Wintec students and academics for the prestigious 'Best Clinical Placement' award, from among hundreds of healthcare providers in the Waikato region.

Like everyone in the health sector, Southern Cross Healthcare wants to set new nurses up for success, and the whole team at the Hamilton hospital has put in the mahi to ensure the students who spend time with Southern Cross are ready to

contribute on the ward, in theatres and in primary health care, whether that's in the Waikato or wherever there is need in Aotearoa.

Southern Cross Healthcare is committed to developing nursing skills and resources for New Zealand, including building out a public and private workforce of Registered Nurse Anaesthetic Assistants; nurses who can step in and provide additional support in theatre, which keeps operating lists on track. Southern Cross is also committed to supporting qualified nurses through further education to become Nurse Practitioners and even to lead their hospitals in a GM role.





# Reducing our environmental impact

Southern Cross is always looking for ways to reduce environmental impact, particularly in the area of waste generated through the delivery of healthcare. Hospital sustainability committees contribute to a nationwide team focused on a range of initiatives like recEYEcle to reduce the organisation's footprint.

## Key environmental outcomes achieved at Southern Cross Healthcare:

- The recEYEcle project – diverting plastic waste generated in cataract surgery from landfill
- Recycling 3.75 tonnes of PVC IV bags and diverting 3.5 tonnes of plastic from landfill by deploying reusable sharps collectors

- Decarbonisation projects and energy savings achievements resulting in a reduction in carbon of 170 tonnes
- Reduction of nitrous oxide (laughing gas) and an 87 per cent decrease in desflurane over last year, removing its use in operating theatres (a reduction of 540+ tonnes of CO<sub>2</sub> year on year)
- Increased use of digital services and increased flexible working options, saving in excess 50 tonnes of CO<sub>2</sub> emissions from reduced air and road travel and the transitioning of fleet vehicles to hybrid vehicles
- Changes in procurement, switching to sustainable products, reprocessing single-use devices, such as DVT sleeves and air transfer mats; saving two tonnes of waste being sent to landfill.



**3.75 tonnes**

Recycling 3.75 tonnes of PVC IV bags

**3.5 tonnes**

Diverting 3.5 tonnes of plastic from landfill by deploying reusable sharps collectors throughout their hospitals

**170 tonnes**

Decarbonisation projects and energy savings achievements resulting in a reduction in carbon of 170 tonnes

**540+ tonnes**

An 87 per cent decrease in desflurane over last year, removing its use in operating theatres, providing a saving of 540+ tonnes of CO<sub>2</sub> year on year

# Statement of Governance

## Background

The Southern Cross Health Trust is a Charitable Trust registered as a charitable entity under the Charities Act 2005. Its purposes include the provision of medical facilities and services in Aotearoa New Zealand. The Trust also undertakes ancillary activities to provide funding streams to assist it to better achieve its charitable purposes. The Trust adheres to principles designed to further its charitable objects and to ensure good corporate governance of its affairs.

## Board role and charter

The Trust is governed by a Board of Trustees in accordance with the Trust Deed establishing the Southern Cross Health Trust, and the Board Charter. The Trust oversees the activities of its subsidiaries. The Trust and its subsidiaries exist to further the Trust's charitable purposes in accordance with the Trust Deed.

The Board Charter covers the purpose of the Trust and its subsidiaries, the Board's role and governance processes,

and the Board's relationship with management. The role of the Trust Board is to manage the Trust fund to fulfil the charitable purpose and objects for which the Trust was established. The Board directs and supervises the management of the Trust and its businesses, including:

- Ensuring that the Trust and subsidiaries meet their statutory obligations under the Charities Act 2005
- Ensuring that the purpose and objects of the Trust are clearly understood, and that strategies, business plans and budgets are in place to achieve them
- Establishing policies for strengthening the performance of the Trust, including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products, and the development of its business capital
- Appointing the Chief Executive Officer
- Monitoring the performance of management

- Deciding on whatever steps are necessary to protect the financial position of the Trust and its subsidiaries
- Ensuring the Trust's financial statements are true and fair and otherwise conform with law
- Ensuring that the Trust and its subsidiaries adopt and adhere to all Southern Cross group policies and strategies as they relate to the Trust and subsidiaries
- Ensuring that the Board and management adhere to high standards of ethics and corporate behaviour
- Establishing the Trust's overall risk appetite and ensuring that the Trust and its subsidiaries have appropriate risk management policies and procedures in place.

The Board endorses the principles set out in the Code of Practice for Directors as adopted and approved by the Institute of Directors in New Zealand Inc. The Board must comply with the Code of Conduct, which provides guidance to the Board,

management and employees on how it expects them to conduct themselves when undertaking business on behalf of the Trust and its subsidiaries.

### **Southern Cross Health**

#### **Trust trustees are:**

Murray Jordan (*Chair*)

Catherine Drayton

Dr. Martin Misur

Dr. Arthur Morris

Julia Raue

Chris Black

David Bridgman

Dr. Dwayne Crombie

Trustees may also be appointed to serve as Directors of Trust subsidiaries. No additional remuneration is paid to Trustees who serve on the Boards of Trust subsidiaries.

All Board members are required to disclose any actual or potential conflicts of interest. Should a conflict of interest arise during Board business, the affected Board member is expected to excuse themselves from the discussion and does not vote on those matters.

The Board meets on a regularly scheduled basis and may hold additional meetings, as necessary. Formal meetings include reports from the Chief Executive Officer and management covering operational and financial performance of the Trust and subsidiaries, capital expenditure proposals, and strategic issues and opportunities.

On an annual basis, the Board reviews business strategies and plans, approves budgets and financial statements. The Board also addresses other activities outlined in the Board Charter.

### **Delegation framework**

The Board delegates day-to-day management responsibilities of the Trust to the Chief Executive Officer. Subsidiary boards delegate day-to-day management of subsidiaries to the subsidiary Chief Executive Officers. These officers are expected to operate in accordance with approved strategies, plans, budgets, and the specific delegated authorities approved by their Boards.

### **Committees**

The Board forms committees when it is efficient or necessary to facilitate efficient decision-making. The Trust Board has two standing committees:

#### **Audit and Risk Committee:**

The Audit and Risk Committee's objectives are to assist the Board in discharging its responsibilities to exercise due care, diligence and skill in relation to oversight of financial functions, internal and external audit functions, and risk management.

#### **Specific responsibilities include:**

- Reviewing the financial statements with management and external auditors, and making recommendations to the Board regarding the disclosure and content of the financial statements
- Ensuring the Boards make informed decisions regarding accounting policies, practices, and disclosures
- Recommending the appointment of external and internal auditors
- Reviewing the annual external and internal audit plans
- Ensuring that internal controls consistent with the risk appetite established by the Board are in place

- Monitoring the effectiveness of the risk management framework and associated policies and procedures in identifying, prioritising, treating, monitoring and reporting on key business risks
- Periodically reviewing and making recommendations to the Board in relation to policies, including the Group Health and Safety Policy, Group Legal Services Policy, Group Compliance Policy.

The Audit and Risk Committee comprises Catherine Drayton (Chair), Murray Jordan, Martin Misur, Chris Black, and David Bridgman.

#### **People and Culture Committee:**

The People and Culture Committee's objectives are to advise and assist the Board in discharging its responsibilities with respect to the overall People & Culture strategy for the Trust and the employment of Trust's Chief Executive Officer and direct reports.

The People and Culture Committee comprises Julia Raue (Chair), Murray Jordan, Arthur Morris, Chris Black and Dwayne Crombie.

**External Audit Independence:**

The Board is committed to auditor independence. The Audit and Risk Committee is responsible for making recommendations to the Board concerning the appointment of external auditors and their terms of engagement.

**Loans to trustees:**

The Southern Cross Health Trust and subsidiaries do not make loans to Board members.



# Board of Trustees



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**Murray Jordan**  
(MProp) – Chair

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Murray joined the Health Society and Southern Cross Health Trust (and subsidiary) Boards in 2019 and was elected Chair of the Health Society in December 2021 and of the Trust in January 2023. He is a former Managing Director of Foodstuffs North Island – one of New Zealand’s largest businesses – and an experienced company director. Murray currently serves on the Boards of Metcash Limited (an ASX listed company), Levande, Chorus, Stevenson Group and Metlifecare.

Chair and Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited



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**Catherine Drayton**  
(BCom, LLB, FCA, CFInstD)

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Catherine joined the Health Society Board in 2013 and the Southern Cross Health Trust Board (and its subsidiaries) in 2014 and is the chair of both Audit and Risk Committees. She is a professional, non-executive director on a variety of boards, including chair of Guardians of New Zealand Superannuation, Mint Innovation and Connexa Limited. Catherine is a former chair of Christchurch International Airport and is currently a director of Genesis Energy and IAG New Zealand. She is a former partner in charge of assurance and advisory services for Pricewaterhouse Coopers in Central and Eastern Europe and is a fellow of Chartered Accountants Australia and New Zealand and a Chartered Fellow of the Institute of Directors.

Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited



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**Chris Black**  
(CA, DIP.ACC, B.SURV)

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Chris Black joined the Health Society Board in 2021 and the Southern Cross Health Trust Board in 2022. He was Chief Executive of member-based FMG between 2008 and 2021 and was an independent director of FMG prior to this. Chris has been a member of the Insurance Council of NZ (ICNZ), including a three-year appointment as the ICNZ President, and was a Commissioner of the Insurance & Financial Services Ombudsman (IFSO) Scheme and board member of BNZ Life Insurance. He also served as a board member of the International Cooperative & Mutual Insurance Federation for eight years, including as vice-chair between 2019 and 2021. Chris is currently chair of the Earthquake Commission and Rabobank New Zealand, a trustee of the Mental Health Foundation, and a director of Southern Cross Pet Insurance Limited.

Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited, Southern Cross Pet Insurance Limited



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**David Bridgman**  
(MCom, LLB, MINSTD, ACA)

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David Bridgman joined the Health Society Board in 2021 and the Southern Cross Health Trust Board in 2022. He is an experienced advisor in the corporate finance and restructuring areas. David retired from PwC at the end of 2020 after 22 years as a partner. He has worked extensively with many of New Zealand's leading cooperatives and mutual organisations. David is a trustee of the University of Auckland Foundation and provides corporate finance and strategic advisory services on his own account. David is a Chartered Accountant and a Member of the Institute of Directors.

Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited



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**Dr Martin Misur**  
(BHB, MBChB, FANZCA)

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Dr Martin Misur was appointed to the Southern Cross Health Trust Board in 2017 and elected to the Health Society Board in 2019. He is a specialist anaesthetist based at Auckland City Hospital and in private practice at Epsom Anaesthetic Partnership. Martin's clinical interests include anaesthesia for solid organ transplantation, hepatobiliary / upper gastrointestinal surgery, orthopaedics, and complex urology. He has a strong interest in information technology and holds the position of Informatics Lead for the Perioperative Directorate at Te Toka Tumai Auckland.

Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited



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**Dr Arthur Morris**  
(BSc(Hons), MD, D(ABMM), FRCPA)

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Dr Arthur Morris joined the Southern Cross Health Trust Board in 2017. He is an Auckland-based clinical microbiologist who also works with the Health Quality and Safety Commission as a Clinical Lead. Arthur is a current director of Mercy Healthcare Auckland and Royal Australasian College of Pathologists Quality Assurance Programmes Limited. He is a trustee of the University of Auckland Medical and Health Science Foundation and University of Auckland Foundation. Arthur is a former Director of Fisher and Paykel Healthcare.

Board member for: Southern Cross Health Trust, Southern Cross Healthcare Limited



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**Julia Raue**  
(CMinstD, GAICD)

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Julia Raue joined the Health Society Board in 2015 and the Southern Cross Health Trust Board in 2021. She has a strong background in business and digital transformation across a number of sectors. Prior to moving into governance full-time in 2014, Julia was Chief Information Officer of Air New Zealand for nine years, winning a number of global awards including NZ CIO of the Year. Julia has significant governance experience including current directorships with Southern Cross Travel Insurance, The Warehouse Group, Jade Software and Move Logistics; is chair of the NZ Rugby Appointments & Remuneration Committee, and a trustee of Global Women. Previously Julia has been a director of Z Energy and Television New Zealand.

Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited, Southern Cross Travel Insurance



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**Dr Dwayne Crombie**  
(MBChB, DipComH, FAFPHM, NZCPHM)

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Dr Dwayne Crombie was appointed to the Southern Cross Health Trust Board in January 2022 and elected to the Health Society Board in December 2022. He has more than three decades of senior executive experience in both the public and private sectors, as well as extensive public, academic and private governance experience. Dwayne has worked for global healthcare organisation Bupa for more than 15 years in several Managing Director roles before retiring in 2022. For seven years until 2020 he led Bupa Health Insurance, the largest health insurer in Australia. Prior to this, he was CEO of Waitematā Health and Waitemata DHB. Dwayne is currently the chair of Repromed Auckland.

Board member for: Southern Cross Health Society, Southern Cross Health Trust, Southern Cross Healthcare Limited

# Financial statements

## **Southern Cross Health Trust**

### **Consolidated Financial Reports for the year ended 30 June 2023**

Consolidated Statement of Service Performance	25
Consolidated Statement of Comprehensive Revenue and Expense	29
Consolidated Statement of Changes in Trust Funds	30
Consolidated Statement of Financial Position	32
Consolidated Statement of Cash Flows	33

**The complete audited financial statements are available on request:**

Email: [communications@southerncross.co.nz](mailto:communications@southerncross.co.nz)

Or write to: Southern Cross Health Trust, PO Box 6772 Wellesley Street, Auckland 1141



# Southern Cross Health Trust

## Consolidated statement of service performance for the year ended 30 June 2023

### Our origins and purpose

The origins of Southern Cross trace back to a group of doctors and an accountant who envisioned a different path for Aotearoa New Zealand's healthcare. Starting with medical insurance, by the 1970's the organisation knew that to deliver timely, affordable, and quality care, it needed to provide – not just fund – healthcare. As a result, the Southern Cross Health Trust was born, with the overarching purpose to support New Zealand's public health system by providing medical facilities and services.

### What we do

Care is at the heart of all we do, for both those receiving and delivering healthcare. As such our work is guided by three key delivery areas: delivery of quality healthcare services, the employment of a national healthcare workforce and the development of that workforce.

The consolidated statement of service performance report focuses on outcomes delivered in these three areas:

#### Our services

- Via Southern Cross Health Trust and its subsidiaries, we operate a nationwide network of wholly owned and partnership hospitals, specialist centres, diagnostic services and community-based healthcare providers.
- We provide care and support for the health and wellbeing of New Zealanders through surgical and medical procedures and clinical care.
- We deliver charitable healthcare services via a charitable surgery programme.

#### Our people

- Via Southern Cross Health Trust and its subsidiaries, we employ a large nationwide healthcare workforce via our wholly owned and partnership hospitals and our national support office.
- We play an active role in creating attractive career pathways for our clinical staff and supporting professional development.

- We hold valued relationships with credentialed surgeons and anaesthetists.

#### Workforce development

- Via Southern Cross Health Trust and its subsidiaries we invest in professional development to improve the skills, knowledge and experience of the healthcare workforce in New Zealand to enhance patient outcomes.

Southern Cross Healthcare Limited is the key subsidiary of Southern Cross Health Trust, with a primary purpose to advance the provision of quality healthcare in Aotearoa New Zealand.

Across our nationwide network and at our national support office, we combine the skills of more than 4,000 people including nurses and anaesthetic technicians, working with specialists, surgeons, anaesthetists and allied health practitioners. Together, we're one of the largest providers of healthcare in Aotearoa New Zealand and the most trusted brand in our industry.

We take this responsibility seriously. Our 'for good' organisational ethos means we think across generations and the decades it takes to get there. There has always been, and will always be, the pressure resulting from excess demand in healthcare and we strive to play a substantive role in supporting the health and wellbeing of New Zealanders as a key part of New Zealand's eco-system.

At the core of what we do is people – the people we employ and the people we care for.

This year, Southern Cross Healthcare Limited established a new strategic plan with an ambitious vision: to help people live their best lives by reimagining healthcare. The strategy sets out a 10-year plan to enhance our existing network of facilities while responding to New Zealand's changing health ecosystem. With patients at the centre, we will integrate and connect health and wellness services to provide end-to-end care, improving health experiences and outcomes for more New Zealanders.

# Southern Cross Health Trust

## Consolidated statement of service performance for the year ended 30 June 2023 (continued)

### 1. Our services

Southern Cross Health Trust and its subsidiaries operates a nationwide network of wholly owned and partnership hospitals, specialist centres, diagnostic services and community-based healthcare providers. We provide care and support for the health and wellbeing of New Zealanders through surgical and medical procedures and deliver charitable healthcare services via a charitable surgery programme.

Outcomes	2023	2022 (unaudited)
Number of wholly owned hospitals <sup>1</sup>	10	10
Number of partnership hospitals <sup>2</sup>	6	6
Number of partnership specialist centres, diagnostic service centres and community-based healthcare providers <sup>3</sup>	9	9
Number of operating theatres or procedure rooms at wholly owned and partnership hospitals	91	91
Number of healthcare services provided to patients at wholly owned and partnership hospitals <i>*Healthcare services are measured as the volume of patients discharged following the completion of a surgery at the hospital</i>	83,239	73,229
Number of charitable healthcare services provided to patients at wholly owned and partnership hospitals	41	45
Value (\$) of charitable healthcare services provided to patients at wholly owned and partnership hospitals	285,895	256,170
Service user satisfaction across wholly owned hospitals (average patient net promoter score) <i>*Southern Cross Healthcare use Cemplicity to capture patient feedback, including how likely they are to recommend the service they experienced to others. The average NPS score across a NZ peer group in FY23 is 84</i>	88	90

#### Notes:

- 1 Wholly owned hospitals: Auckland Surgical Centre, Brightside, North Harbour, Gillies, Hamilton, New Plymouth, Rotorua, Wellington, Christchurch and Invercargill.
- 2 Partnership hospitals: North Shore Surgical Centre (Northern Surgical Partnership), Ormiston Surgical & Endoscopy Limited, Grace Hospital (Evolution Southern Cross Partnership), Crest Hospital (Southern Cross Aorangi Hospital Partnership), Manuka Street Hospital Partnership, Southern Cross Central Lakes Hospital (Southern Cross CLT Limited).
- 3 Partnership specialist centres, diagnostic service centres and community-based healthcare providers: The Rutherford Clinic (Capital Endoscopy Partnership), Southern Endoscopy Centre (Southern Endoscopy Specialists Partnership), Waitemata Endoscopy Limited, Intra Limited, Auckland Radiotherapy Partnership, Active+ (Active Limited and Active Physio Limited), TBI Health Partnership, MedPro Healthcare (NZ) Limited and Raise Limited.

# Southern Cross Health Trust

## Consolidated statement of service performance for the year ended 30 June 2023 (continued)

### 2. Our people

Southern Cross Healthcare Limited plays an active role in providing recognition, experience, professional development, and creating viable career pathways for our clinical staff. We recruit and support employees nationwide via our national support office (NSO), wholly owned and partnership facilities, and we hold valued relationships with credentialed surgeons and anaesthetists.

Outcomes	2023	2022 (unaudited)
Number of employees at NSO, wholly owned and partnership hospitals	2,834	2,561
Number of registered health practitioners employed at our wholly owned and partnership hospitals	1,781	1,645
Employee satisfaction <sup>4</sup> <i>Our employee engagement survey tool is provided by Kincentric, a global employee consulting and research organisation. Our FY23 results is 7% higher than healthcare organisations in Australia and New Zealand (60%), and down slightly compared to other NZ organisations (69%)</i>	67%	63%
Number of credentialed surgeons and anaesthetists associated with our wholly owned and partnership hospitals <sup>5</sup>	1,172	1,088

#### Notes:

- 4 Employee satisfaction survey includes employees at our wholly owned hospitals and our national support office. FY23 results do not include Christchurch Hospital.
- 5 Wholly owned hospitals, North Shore Surgical Centre and Southern Cross Central Lakes Hospital.

# Southern Cross Health Trust

## Consolidated statement of service performance for the year ended 30 June 2023 (continued)

### 3. Workforce development

Southern Cross Healthcare Limited invests in professional development to improve the skills and knowledge of the healthcare workforce in New Zealand to enhance patient outcomes and ensure patients receive world class healthcare.

Outcomes are focused specifically on the development of our nursing workforce given it directly supports the delivery of the Trust's purpose and is the largest cohort of our employee population. We also support our workforce with a range of training and development courses specific to their area of expertise and career development needs.

Outcomes	2023	2022 (unaudited)
Number of nurses enrolled/completed our Registered Nurse Assistant to Anaesthetist training <sup>6</sup>	45	13
Number of graduates participating in the Nursing Entry To Practice programme as at 30 June	40	21

#### Notes:

<sup>6</sup> Note that this number includes nurses from outside the organisation (such as Te Whatu Ora).

### Judgement in the selection, measurement, aggregation and presentation of performance

The Trustees exercise judgement in deciding how to select, measure, aggregate and present service performance information. This judgement focuses on determining the most appropriate and meaningful performance measures that are of particular value for accountability and decision-making purposes. The Trustees have chosen to present the performance measures selected in this report, after consideration of the qualitative aspects and pervasive constraints of information. The service performance indicators selected and presented focus on the Trust's ability to fulfil its purpose, which is to advance the provision of quality healthcare in Aotearoa New Zealand.

# Southern Cross Health Trust

## Consolidated statement of comprehensive revenue and expense for the year ended 30 June 2023

	2023 \$000	2022 \$000		2023 \$000	2022 \$000
Continuing operations			Other comprehensive revenue and expense		
Revenue	509,077	377,822	Movement in foreign currency translation reserve	-	459
Operating expenses	(491,594)	(378,290)	Reclassification of foreign currency translation reserve	-	700
Other income	6,973	9,685	<b>Total comprehensive revenue and expense</b>	<b>10,286</b>	<b>(7,183)</b>
Share of profit from equity accounted investments	14,344	7,742	<b>Total net surplus/ (deficit) attributable to:</b>		
Gain from re-measurement of equity accounted investment	9,438	85	Owners of the Group	8,424	(8,723)
Disposal of investments	(1,888)	-	Non-controlling interests	1,862	381
Impairment of assets	(13,694)	-	<b>Total net surplus/ (deficit)</b>	<b>10,286</b>	<b>(8,342)</b>
<b>Surplus before interest, income tax, depreciation and amortisation</b>	<b>32,656</b>	<b>17,044</b>	<b>Total comprehensive revenue and expense attributable to:</b>		
Depreciation	(23,619)	(22,103)	Owners of the Group	8,424	(7,564)
Amortisation	(1,147)	(971)	Non-controlling interests	1,862	381
Finance income	4,483	756	<b>Total comprehensive revenue and expense</b>	<b>10,286</b>	<b>(7,183)</b>
Finance costs	(106)	(57)			
<b>Surplus/ (deficit) from continuing operations</b>	<b>12,267</b>	<b>(5,331)</b>			
Tax expense	(1,981)	(394)			
<b>Net surplus/ (deficit) for the year from continuing operations</b>	<b>10,286</b>	<b>(5,725)</b>			
Net surplus/ (deficit) for the year from discontinued operations	-	(2,617)			
<b>Net surplus/ (deficit) for the year</b>	<b>10,286</b>	<b>(8,342)</b>			

# Southern Cross Health Trust

## Consolidated statement of changes in trust funds for the year ended 30 June 2023

Restated*	Retained Surpluses \$000	Capital Reserve \$000	Non-controlling Interests \$000	Foreign Currency Translation Reserve \$000	Total Trust Funds \$000
Balance at 1 July 2021	460,092	250	47	(1,159)	459,230
<b>Total comprehensive revenue and expenses</b>					
Net surplus/ (deficit) for the year	(8,723)	-	381	-	(8,342)
<b>Other comprehensive income</b>					
Movement in foreign currency translation reserve	-	-	-	459	459
Reclassification of foreign currency translation reserve	-	-	-	700	700
<b>Total comprehensive revenue and expenses</b>	<b>(8,723)</b>	<b>-</b>	<b>381</b>	<b>1,159</b>	<b>(7,183)</b>
<b>Transactions with owners of the entity</b>					
Distribution to non-controlling interest	-	-	(300)	-	(300)
<b>Total contributions and distribution</b>	<b>-</b>	<b>-</b>	<b>(300)</b>	<b>-</b>	<b>(300)</b>
<b>Changes in ownership interests</b>					
Acquisition of subsidiary with non-controlling interests	-	-	1,228	-	1,228
<b>Total change in ownership interest</b>	<b>-</b>	<b>-</b>	<b>1,228</b>	<b>-</b>	<b>1,228</b>
<b>Balance at 30 June 2022</b>	<b>451,369</b>	<b>250</b>	<b>1,356</b>	<b>-</b>	<b>452,975</b>

# Southern Cross Health Trust

## Consolidated statement of changes in trust funds for the year ended 30 June 2023 (continued)

	Retained Surpluses \$000	Capital Reserve \$000	Non-controlling Interests \$000	Foreign Currency Translation Reserve \$000	Total Trust Funds \$000
Balance at 1 July 2022	451,369	250	1,356	-	452,975
<b>Total comprehensive revenue and expenses</b>					
Net surplus/ (deficit) for the year	8,424	-	1,862	-	10,286
<b>Total comprehensive revenue and expenses</b>	<b>8,424</b>	<b>-</b>	<b>1,862</b>	<b>-</b>	<b>10,286</b>
<b>Transactions with owners of the entity</b>					
Distribution to non-controlling interest	-	-	(604)	-	(604)
<b>Total contributions and distribution</b>	<b>-</b>	<b>-</b>	<b>(604)</b>	<b>-</b>	<b>(604)</b>
<b>Changes in ownership interests</b>					
Acquisition of subsidiary with non-controlling interests	-	-	4,425	-	4,425
Additional share purchase of subsidiaries	(1,191)	-	(434)	-	(1,625)
<b>Total change in ownership interest</b>	<b>(1,191)</b>	<b>-</b>	<b>3,991</b>	<b>-</b>	<b>2,800</b>
<b>Balance at 30 June 2023</b>	<b>458,602</b>	<b>250</b>	<b>6,605</b>	<b>-</b>	<b>465,457</b>

\*The restatement of the FY22 balances are related to finalisation of accounting for Active Limited acquisition.

# Southern Cross Health Trust

## Consolidated statement of financial position as at 30 June 2023

	2023 \$000	2022 \$000 Restated*
<b>Current assets</b>		
Cash and cash equivalents	58,490	45,489
Trade and other receivables	61,306	44,372
Other financial assets	50,350	55,953
Inventories	11,292	10,586
<b>Total current assets</b>	<b>181,438</b>	<b>156,400</b>
<b>Non-current assets</b>		
Equity accounted investments	54,434	57,693
Property, plant and equipment	277,028	282,799
Intangible assets	5,186	4,499
Goodwill	32,408	19,655
Other financial assets	-	398
Deferred tax asset	630	-
<b>Total non-current assets</b>	<b>369,686</b>	<b>365,044</b>
<b>Total assets</b>	<b>551,124</b>	<b>521,444</b>
<b>Current liabilities</b>		
Payables and accruals	46,434	32,946
Employee entitlements	18,650	14,792
Finance leases	246	238
<b>Total current liabilities</b>	<b>65,330</b>	<b>47,976</b>

	2023 \$000	2022 \$000 Restated*
<b>Non-current liabilities</b>		
Other non-current liabilities	18,786	19,927
Finance leases	320	566
Make good provisions	1,231	-
<b>Total non-current liabilities</b>	<b>20,337</b>	<b>20,493</b>
<b>Total liabilities</b>	<b>85,667</b>	<b>68,469</b>
<b>Net assets</b>	<b>465,457</b>	<b>452,975</b>
<b>Trust funds</b>		
Retained surpluses	458,602	451,369
Capital reserve	250	250
Non-controlling interests	6,605	1,356
<b>Total Trust funds</b>	<b>465,457</b>	<b>452,975</b>

\*The restatement of the FY22 balances are related to finalisation of accounting for Active Limited acquisition.

Authorised on behalf of the Southern Cross Health Trust Board of Trustees  
on 2nd October 2023

Trustee 

Trustee 



# Southern Cross Health Trust

## Consolidated statement of cash flows for the year ended 30 June 2023

	2023 \$000	2022 \$000		2023 \$000	2022 \$000
<b>Cash flows from operating activities</b>			<b>Cash flows from financing activities</b>		
Receipts from customers	499,280	374,356	Interest paid on finance leases	(25)	(33)
Payments to employees and suppliers	(480,940)	(380,040)	Finance lease payments	(238)	(1,914)
Interest received	4,230	729	Dividend paid to minority shareholders	(604)	(300)
Dividends received	196	185	<b>Net cash flows from financing activities</b>	<b>(867)</b>	<b>(2,247)</b>
Taxation paid	(1,054)	(243)			
Rental income received	6,586	5,751	<b>Net cash flow</b>	<b>10,048</b>	<b>8,414</b>
COVID-19 leave support received	72	192	Add: cash at the beginning of the year	45,489	57,050
COVID-19 wage subsidy received	-	3,503	Add: cash received on acquisition of subsidiary	2,953	3,181
Operating income from discontinued operations	-	3,817	Less: cash transferred on disposal of subsidiary	-	(23,372)
<b>Net cash flows from operating activities</b>	<b>28,370</b>	<b>8,250</b>	Add: effect of exchange revaluation on foreign currency balances	-	217
			<b>Cash at the end of the year</b>	<b>58,490</b>	<b>45,489</b>
<b>Cash flows (used in)/ from investing activities</b>					
Proceeds from sale of property, plant and equipment	58	375	Bank balances	58,486	45,485
Purchase of property, plant and equipment	(24,958)	(20,644)	Call deposits	4	4
Distributions from joint ventures and associates	10,569	7,577	<b>Cash at the end of the year</b>	<b>58,490</b>	<b>45,489</b>
Disposal/ (Investment) of deposits	5,000	(5,000)			
Investment in joint ventures	(1,535)	(7,248)			
Acquisition of business	(2,208)	(282)			
Purchase of intangible assets	(1,830)	(1,426)			
Repayment/ (advances) to related parties	564	(553)			
Proceeds from sale of subsidiary	-	28,500			
Investing cash flows from discontinued operations	-	1,111			
Purchase of shares in subsidiaries	(1,625)	-			
Disposal of investments	(1,490)	-			
<b>Net cash flows used in investing activities</b>	<b>(17,455)</b>	<b>2,411</b>			



 **Southern Cross** With you

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