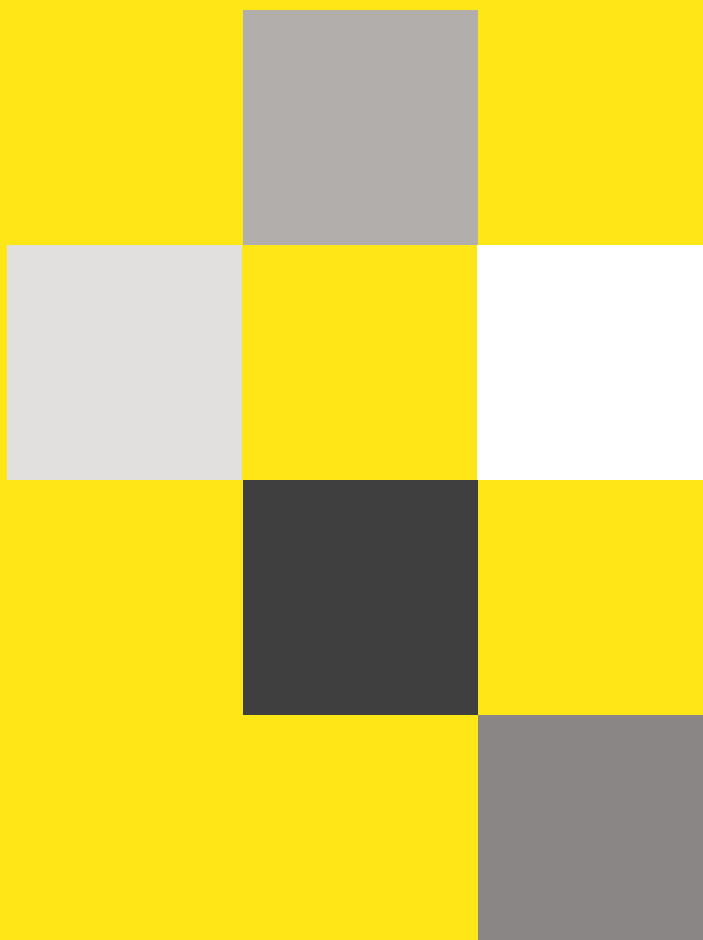




# ANNUAL REPORT and ACCOUNTS

2012 - 2013



**Kaunihera Whakanaoaiwi**



Hon. Tony Ryall  
Minister of Health  
Parliament Buildings  
WELLINGTON

It is with much pleasure that we present the ninth annual report of the Osteopathic Council of New Zealand.

This report highlights the Osteopathic Council's activities for the ninth year since the Council was established following the enactment of the Health Practitioners Competence Assurance Act (2003) (HPCA Act). It also contains the audited accounts for the year ended 31 March 2013.

## Chairperson's Report

2012-2013 has been another busy year for the Osteopathic Council of New Zealand (OCNZ), with continuing development of the Osteopathic Scopes of Practice allowing for better differentiation within the Register.

The OCNZ gazetted two new scopes of practice in January 2013, covering Pain Management and Gerontology. The OCNZ has been aware that there are registrants that have increased knowledge, skills and attitudes in these areas of clinical practice but there had been no way for the public to access this information from the OCNZ Register. The aim was to make this information readily available to the public and encourage high quality professional development within the profession, leading to better quality health care.

The OCNZ has been working on the formation of baseline capabilities for paediatric osteopathic care during 2012-2013. This project is two thirds completed and the OCNZ will have the final document by the end of 2013. Given the wide range in pre-professional paediatric training from the tertiary institutes that feed the New Zealand Register the OCNZ decided baseline capabilities should be developed. The OCNZ in 2014 will look at where the profession's registrants sit in relation to these baselines and will ensure that all registrants meet the baseline capabilities. Further work may occur after this point in the development of a vocational scope of practice in paediatric osteopathy, assuring the public can easily access osteopaths with a higher level of knowledge, skills and attitudes within this area of practice.

The OCNZ is currently looking into the regulation of the profession in regard to internal techniques and the treatment of sensitive areas and will be consulting with the profession and wider stakeholders later in the year.



The OCNZ continues to be hosted within the Occupational Therapy Board of NZ, and is engaged through Health Regulatory Authorities NZ at looking into further efficiencies of function and economies of scale. As a smaller council the OCNZ is committed to shared secretarial functions and the benefit this brings to both quality regulation and financial prudence.

## Council Meetings

In the 2012-13 financial year the Council had three Council meetings in Wellington and one in Auckland. Much of Council business is conducted by committees who conduct their work by teleconference.

The Council had a full complement of members during the period. We would like to express our thanks to all Council members for their contributions during the year. The members were:

**Emma Fairs** – Osteopath from Christchurch (Chair)

**Stiofán Mac Suibhne** – Osteopath from Australia (Deputy Chair)

**Martin Lambert** – Osteopath from Auckland

**Dee Taylor** – Osteopath from Christchurch

**Max Belcher** – Osteopath from Whangarei

**Tim Friedlander** – Osteopath from Auckland

**Warwick Bullen** – Layperson from Whanganui

**Sharon Lambert** – Layperson from Tauranga

## Baseline Capabilities in Paediatric Osteopathic Care

The Council has been working on baseline capabilities in paediatric practice over the last 12 months. There have been several workshops around New Zealand to consult with Osteopaths who care and treat paediatric clients. Workshops held in mid-2012 have given the Council insight into how children are treated, current practices and the education required to treat this vulnerable patient group.

Once the baseline project is complete Council will begin the next phase of the project that will map the registrants to the baseline and, if required, will ensure further training is arranged for those registrants that do not meet the new capabilities. The Council has a very healthy relationship with Unitec, the New Zealand institute training osteopaths and we will work with them to ensure their graduates meet baseline capabilities.

## Vocational Scopes of Practice Gazetted

In early 2013 after consultation with the sector the OCNZ gazetted two Vocational Scopes of Practice; Gerontology and Pain Management.

Vocational Scopes allow members of the public and referring healthcare professionals to identify practitioners with advanced skills in a particular domain of osteopathy. The Gerontology Vocational Scope of Practice recognises registered osteopaths with a postgraduate diploma in health science of the Older Person, Health and Wellness from Auckland University of Technology or other courses within NZ the Council deem similar in standard. Osteopaths who have received their qualifications overseas can also have them assessed by the Council to see if they meet the qualification requirements for this scope.

The Pain Management Scope of Practice recognises registered osteopaths with a postgraduate diploma endorsed in Pain and Pain Management, Department of Musculoskeletal Medicine from Otago University of Technology or other courses within NZ the Council deem similar in standard. Osteopaths who have received their qualifications overseas can also have them assessed by the Council to see if they meet the qualification requirements for this scope.

## Pebble Pad – E-Portfolio Tool

Over the past few years the Council has investigated several E-Portfolio tools to assist practitioners with self-assessment. In 2012 the Council piloted an on-line tool – *Pebble Pad*. *Pebble Pad* allows practitioners to self-reflect on their learning, keep track of the formal and non-formal learning they do throughout the year and choose those they wish to share this information with.

The Council is working toward launching *Pebble Pad* as a self-assessment tool over the 2014-2015 year working with several groups to ensure the phasing out of the current Continuing Professional Development Programme (CPD) will be a smooth transition for practitioners.

## Continuing Professional Development

There were no mandatory CPD activities scheduled for the 2012-2013 financial year. The Council has been working on moving away from the current CPD programme which ensures an osteopath's competence through their earning 25 CPD points through Council approved programmes.

As Scopes of Practice reforms are near completion Council has started looking at reforms to the CPD Programme. Council will be moving to *Pebble Pad*, an E-Portfolio self-assessment tool, and work is currently underway to transition the current CPD Programme to this tool.

Practitioners will be required to continue with their current CPD activities and ensure they meet current CPD requirements until the transition to *Pebble Pad*.

## OCNZ Regional Conferences

Regional conferences were held in Wellington, Auckland, Tauranga and Nelson during the year. The OCNZ is committed to raising awareness of the Act amongst the registrants and engaging in meaningful consultation processes to ensure that the context of OCNZ regulatory policy is understood by the profession.

The main themes of the conference were:

- Health Practitioner Competence Assurance Act (2003) reforms
- Credentialling / Vocational Scopes of Practice
- CPD / e-Portfolio and the reflective practitioner
- Paediatric Recertification Programme
- Disciplinary Processes Overview
- HPDT Rodriguez Case
- ACC Treatment Data

The conferences were generally well received by the registrants and OCNZ feels that they are useful means of engaging with the profession.

## Western Medical Acupuncture and Related Needling Techniques Scope

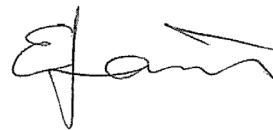
There are currently **11** registrants with the Western Medical Acupuncture and Related Needling Technique Scope. This includes two new registrants enrolled in the period and the nine previously on the register.

## APC Statistics and the Osteopathic Workforce

On 31<sup>st</sup> March **2013** there were **407** Osteopaths in New Zealand with annual practising certificates (an **increase of 21** on the previous year). At the same time there were **537** Osteopaths on the Register, 130 of whom were inactive (those who are registered, but do not have an annual practising certificate). **37** registrations were granted during the year; **14** were Unitec graduates, **21** came from overseas having **had their qualifications assessed by ANZOC (up from 15 in the previous year)**. **2** registrants were entered under the provisions of the Trans Tasman Mutual Recognition Agreement.

## Complaints and Disciplinary Processes

A number of complaints from the public to the Health and Disability Commission were referred to the Council for investigation. During the year the council received **2** complaints about practitioners. The compliants were investigated further by Council with one being referred to a Professional Conduct Committee.



Emma Fairs  
Chair OCNZ

# Osteopathic Council of New Zealand

Financial Statements

For the year ended 31<sup>st</sup> March 2013

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# Osteopathic Council of New Zealand

Statement of Financial Performance

For the year ended 31<sup>st</sup> March 2013

	Note	2013 \$	2012 \$
<b>Revenue</b>			
Annual Practise Certificates Fees		338,256	418,841
Examination Fees		89,826	64,000
Registration Fees		28,500	28,460
Other Income		11,291	20,771
Interest		14,108	8,373
Foreign exchange gain/loss		0	155
<b>Total Revenue</b>		<b>481,981</b>	<b>540,598</b>
<b>Expenditure</b>			
Board & Committees	1	258,778	134,033
Secretariat	2	165,256	255,367
<b>Total Expenditure</b>		<b>424,034</b>	<b>389,400</b>
<b>NET SURPLUS/(DEFICIT)</b>		<b>57,947</b>	<b>151,198</b>

# Osteopathic Council of New Zealand

Statement of Movement In Equity

For the year ended 31<sup>st</sup> March 2013

	2013 \$	2012 \$
<b>EQUITY AT BEGINNING OF PERIOD</b>	156,098	4,900
Net surplus/(deficit) for the period	57,947	151,198
Total recognised Revenues and Expenses for the period	57,947	151,198
<b>EQUITY AT END OF PERIOD</b>	<b>214,045</b>	<b>156,098</b>

*The accompanying notes form part of these Financial Statements*



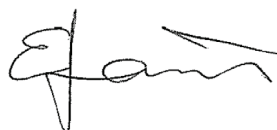
# Osteopathic Council of New Zealand

## Statement of Financial Position

For the year ended 31<sup>st</sup> March 2013

	Note	2013 \$	2012 \$
<b>EQUITY</b>		<b>214,045</b>	<b>156,098</b>
<b>CURRENT ASSETS</b>			
Cash, Bank & Bank deposits		591,792	516,445
Accounts Receivable		5,070	807
Prepayments		5,242	1,637
Loan to Health Regulatory Authorities Secretariat Ltd	3	6,528	6,528
Investment in Health Regulatory Authorities Secretariat Ltd	4	20	20
Office rental		694	0
<b>Total Current Assets</b>		<b>609,347</b>	<b>525,438</b>
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	6	7,494	1,691
Intangible Assets	7	250	6,755
<b>Total Assets</b>		<b>617,091</b>	<b>533,884</b>
<b>CURRENT LIABILITIES</b>			
Goods and Services Tax		42,143	35,142
Accounts Payable	8	52,536	45,519
Income in Advance	9	308,366	297,124
<b>Total Current Liabilities</b>		<b>403,046</b>	<b>377,786</b>
<b>TOTAL LIABILITIES</b>		<b>403,046</b>	<b>377,786</b>
<b>NET ASSETS</b>		<b>214,045</b>	<b>156,098</b>

For and on behalf of the Board



Emma Fairs  
Board Chair

Date 29/8/13



Andrew Charnock  
Chief Executive Officer

Date 29/8/13

# Osteopathic Council of New Zealand

Statement of Accounting Policies  
For the year ended 31<sup>st</sup> March 2013

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## **BASIS OF PREPARATION**

The Osteopathic Council Of New Zealand is a body corporate established by the Health Practitioners Competence Assurance Act 2003 and is a Responsible Authority under that Act.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and have been prepared on the basis of historical cost.

The Council is an entity qualifying for differential reporting exemptions as it has no public accountability and is not large as defined by the Framework for Differential Reporting. The Council has taken advantage of all differential reporting exemptions.

## **SPECIFIC ACCOUNTING POLICIES**

### **RECEIVABLES**

Receivables are stated at estimated realisable values.

### **PROPERTY, PLANT & EQUIPMENT**

Initially stated at cost and depreciated as outlined below. Initial cost includes the purchase consideration plus any costs directly attributable to bringing the asset to the location and condition required for its intended use.

Assets are written down immediately if any impairment in the value of the asset causes its recoverable amount to fall below its carrying value.

### **INTANGIBLE ASSETS**

Intangible Assets comprise non-physical assets which have a benefit to the Board for periods extending beyond the year the costs are incurred.

### **AMORTISATION**

Intangible assets are amortised over the period of benefit to the Board at the following rate:

Website/Database 2-3 years Straight Line.

### **DEPRECIATION**

Depreciation of property, plant & equipment is charged at the same rates as the Income Tax Act 1994.

The following rates have been used: Office furniture & equipment 20% - 100% Straight Line Method

Computer equipment 20% - 50% Straight Line Method

# Osteopathic Council of New Zealand

Statement of Accounting Policies

For the year ended 31<sup>st</sup> March 2013

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## **TAXATION**

The Board is exempt from Income Tax.

## **INVESTMENTS**

Investments are recognised at cost. Investment income is recognised as an accrual basis where appropriate.

## **INCOME RECOGNITION**

Fees received for the issue of annual practising certificates and register maintenance are recognised in the year to which the fees relate. All other fees are recognised on receipt.

## **GOODS & SERVICES TAX**

All amounts are stated exclusive of Goods & Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

## **CHANGES IN ACCOUNTING POLICIES**

There have been no changes in accounting policies. All policies have been applied on a consistent basis with those of the previous period.

## **COMPARATIVES**

Some prior year comparative figures have been reclassified to match current year disclosure.

# Osteopathic Council of New Zealand

Notes to the Financial Statements  
For the year ended 31<sup>st</sup> March 2013

## 1. BOARD & COMMITTEES

	Note	2013 \$	2012 \$
Fees		80,034	52,061
Meeting expenses, conferences, travel & others		114,014	71,059
Special projects		44,728	300
Legal, Investigation and hearing expenses		20,003	10,613
<b>Total</b>		<b>258,778</b>	<b>134,033</b>

## 2. SECRETARIAT

Audit fees		5,651	4,412
Depreciation & amortisation	7	9,942	12,103
Telephone, Postage & Printing and Stationery		6,726	3,851
Other costs		46,470	17,147
ANZOC Levies		0	38,443
Secretariat operating Cost		78,864	100,295
Legal and Professional fees		16,821	77,272
Loss on Disposal		782	1,845
<b>Total</b>		<b>165,256</b>	<b>255,367</b>

## 3. RELATED PARTIES,

There were no transactions involving related parties during the year.

However, the working capital advance to Health Regulatory Authorities Secretariat Limited ( HRAS) of \$5,000 and the accounts payable of \$1,528 remain outstanding from 2011.

## 4. INVESTMENT, AND

The Board has an undivided 1/5th share in the issued share capital of Health Regulatory Authorities Secretariat Limited (HRAS). The consideration of \$20 is not yet paid.

## 5. FINANCIAL MANAGEMENT AGREEMENT.

Osteopathic Council of New Zealand has entered into a service agreement with Occupational Therapy Board of New Zealand from 1<sup>st</sup> April to current.

Occupational Therapy Board provides business management support to Osteopathic Council of New Zealand.

This includes the provision of a Registrar, so there is no separate personnel expense in 2012.

# Osteopathic Council of New Zealand

Notes to the Financial Statements

For the year ended 31<sup>st</sup> March 2013

## 6. PROPERTY, PLANT & EQUIPMENT

	<b>COST</b>	<b>ACCUMULATED DEPRECIATION</b>	<b>BOOK VALUE</b>
<b>At 31 March 2012</b>			
Office furniture & equipment	5,224	3,533	1,691
<b>Total</b>	<b>5,224</b>	<b>3,533</b>	<b>1,691</b>
<b>At 31 March 2013</b>			
Office furniture & equipment	5,986	5,051	935
Computer equipment	9,260	2,701	6,559
<b>Total</b>	<b>15,246</b>	<b>7,752</b>	<b>7,494</b>

## 7. INTANGIBLE ASSETS

	<b>COST</b>	<b>ACCUMULATED AMORTISATION</b>	<b>BOOK VALUE</b>
<b>At 31 March 2012</b>			
Website	25,114	21,609	3,505
Computer Software	6,000	2,750	3,250
<b>Total</b>	<b>31,114</b>	<b>24,359</b>	<b>6,755</b>
<b>At 31 March 2013</b>			
Website	25,114	25,114	0
Computer Software	6,000	5,750	250
<b>Total</b>	<b>31,114</b>	<b>30,864</b>	<b>250</b>

## 8. ACCOUNTS PAYABLE & PROVISIONS

	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Accounts payable and accruals	44,354	42,340
PAYE/WHT	8,182	3,179
<b>Total</b>	<b>52,536</b>	<b>45,519</b>

# Osteopathic Council of New Zealand

Notes to the Financial Statements  
For the year ended 31<sup>st</sup> March 2013

## 9. DEPRECIATION & AMORTISATION

	2013	2012
	\$	\$
<b>Depreciation has been charged against:</b>		
Office furniture & equipment	736	990
Computer equipment	2,701	-
<b>Total</b>	<b>3,437</b>	<b>990</b>
<b>Amortisation of intangible assets</b>		
Website	3,505	8,363
Computer Software	3,000	2,750
<b>Total</b>	<b>6,505</b>	<b>11,113</b>

## 10. INCOME IN ADVANCE

	2013	2012
	\$	\$
<b>Fees received relating to 2013/2014 year</b>		
Annual practicing certificate fees	308,366	297,124
<b>Total</b>	<b>308,366</b>	<b>297,124</b>

## 11. CREDIT CARD FACILITY

A Visa credit card with a limit of \$10,000 is held with Westpac.

## 12. COMMITMENTS

Osteopathic Council have an agreement with the Occupational Therapy Board of New Zealand for the provision of secretariat services. The provision of services are continuing to be provided at a minimum annual cost of \$73,986. (2012: \$80,220). An amended provision of services agreement came into effect 1 October 2012.

Contractual commitments for operating leases of premises and equipment.

### 101-103 The Terrace Wellington, ASB Bank House

The Osteopathic Council moved to a new premises on 1<sup>st</sup> July 2013.

Not later than one year	4,699
One to two years	4,699
Two to five years	1,175
<b>Total</b>	<b>10,573</b>

## 13. CONTINGENT LIABILITIES

There are no contingent liabilities at balance date. (2012: \$Nil)

#### **14. EVENTS AFTER BALANCE DATE**

There were no events that have occurred after balance date that would have a material impact on these financial statements.

#### **15. UNCERTAINTY ABOUT THE DELIVERY OF OFFICE FUNCTIONS IN FUTURE**

In February 2011, Health Workforce New Zealand, on behalf of the Minister of Health (the Minister), issued a consultation document proposing a single shared secretariat and office function for all 16 health-related regulatory authorities. In late 2012 HWNZ funded a detailed business case for the establishment of a shared secretariat organisation. This is being considered by each of the 16 health regulatory authorities.

The proposals, if they proceeded, would likely have a significant effect on the Osteopathic Council of New Zealand. We have not quantified the possible effect.

**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF  
OSTEOPATHIC COUNCIL OF NEW ZEALAND'S  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2013**

The Auditor-General is the auditor of the Osteopathic Council of New Zealand (the Council). The Auditor-General has appointed me, Robert Elms, using the staff and resources of Staples Rodway Wellington, to carry out the audit of the financial statements of the Council on her behalf.

We have audited the financial statements of the Council on pages 2 to 7, that comprise the statement of financial position as at 31 March 2013, the statement of financial performance, and statement of movements in equity for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

**Opinion**

In our opinion the financial statements of the Council on pages 2 to 7:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's:
  - financial position as at 31 March 2013; and
  - financial performance for the year ended on that date.

***Uncertainty about the delivery of office functions in future***

Without modifying our opinion, we draw your attention to the disclosure in note 15 on page 7 regarding a proposal for combining the secretariat and office functions of the Council with other health-related regulatory authorities. We considered the disclosure to be adequate.

Our audit was completed on 29 August 2013. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and we explain our independence.

**Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Council's financial statements that fairly reflect the matters to which they relate. We consider internal control 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 the Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. Also we did not evaluate the security and controls over the electronic publication of the financial statements.

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

### **Responsibilities of the Council**

The Council is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's financial position, and financial performance.

The Council is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the financial statements, whether in printed or electronic form.

The Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 134(1) of the Health Practitioners Competence Assurance Act 2003.

### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Council.

Other than the audit, we have no relationship with or interests in the Council.



Robert Elms  
Staples Rodway Wellington  
On behalf of the Auditor-General  
Wellington, New Zealand



**OCNZ**  
OSTEOPATHIC COUNCIL  
NEW ZEALAND