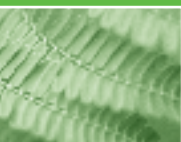


THE OSTEOPATHIC  
COUNCIL OF  
NEW ZEALAND



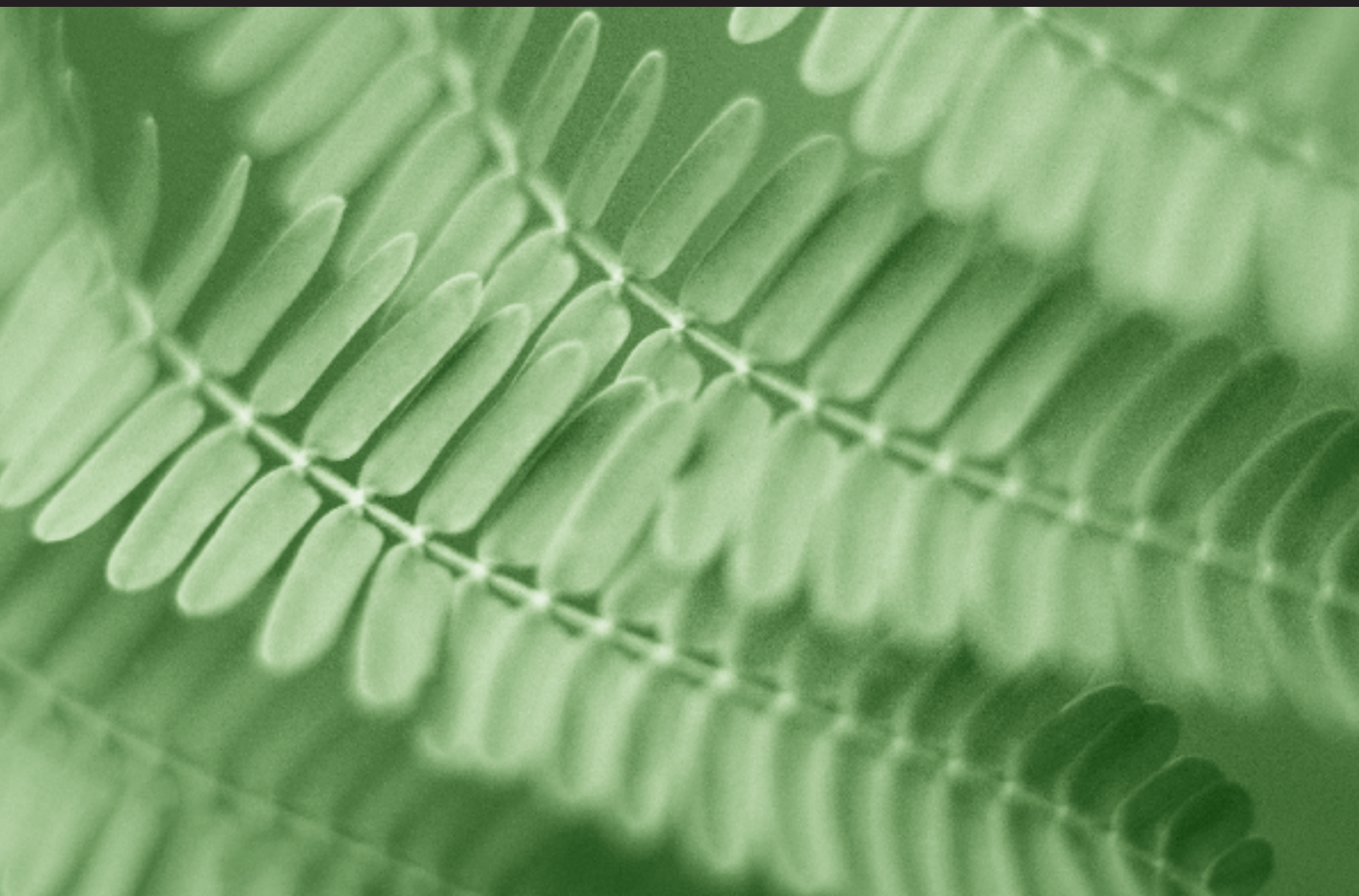
Te Kaunihera Raweke  
Wheuaa o  
Aotearoa



# Annual Report

To the Minister of Health for the  
year 2007-2008

THE OSTEOPATHIC COUNCIL OF NEW ZEALAND



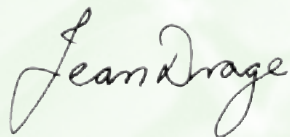
THE OSTEOPATHIC COUNCIL OF NEW ZEALAND

ANNUAL REPORT FOR THE YEAR 2007/2008

Hon. Tony Ryall  
Minister of Health  
Parliament Buildings  
WELLINGTON

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

This report highlights the Osteopathic Council's activities for the fourth year since the Council was established following the enactment of the Health Practitioners Competence Assurance Act 2003. It also contains the audited accounts for the year ending 31 March 2008.

A handwritten signature in black ink that reads "Jean Drage". The signature is written in a cursive style with a large initial 'J'.

Jean Drage  
**Chairperson**

## Chairperson's Report

With the initial years of establishing the Osteopathic Council (and its regulatory and competency framework) behind us, during this financial year we have had the opportunity to expand our focus a little. We have reviewed and changed our practitioner reporting processes, undertaken workforce planning, finalised the accreditation process for assessing Unitec (to take place in April 2008), consulted more widely with the osteopathic profession and developed a policy handbook. The Council has also developed a strategic plan and worked closely with four other health regulatory authorities to establish a new office.

The Council has a Continuing Professional Development (CPD) programme in place, which includes a set of six core competency courses that all osteopaths are required to attend over a three year period. The second year of this mandatory programme has been undertaken during 2007 and the third and final year is currently underway in 2008.

During this financial year, the Council adopted a new CPD reporting process in order to improve efficiency and timeliness. This required CPD Summaries to be returned to the Council prior to the Annual Practising Certificate renewal round at the end of the financial year. This new reporting process went very well and has been positively received by the osteopathic profession.

A workforce roundtable meeting was held in October 2007 with the osteopathic associations and other stakeholders, to discuss issues related to the osteopathic workforce in New Zealand. This meeting was held in response to a concern that it was difficult to recruit overseas osteopaths, particularly for locum positions. The Council subsequently approved a three month locum period for Australian osteopaths who want to work in New Zealand short term.

The Council's Professional Conduct Committee and the Competence Review Committee have both dealt with issues of conduct and competence during this financial year.

This year the Council has finalised its accreditation policy and handbook for the assessment of the Osteopathic Training course at Unitec, the only New Zealand based qualification for osteopaths. This assessment will be carried out in April 2008 by an assessment team led by Professor Barry Cole, head of the Victorian College of Optometry in Australia.

Overseas osteopaths who wish to practise in New Zealand must have an osteopathic qualification and sit an exam. This exam involves three clinically based assessments examined by a moderator and two examiners.

Exams are held in the last weekend of every month at the Unitec Osteopathic Clinic in Auckland. The pass rate in 2007 was 84%.

With the Trans-Tasman Mutual Recognition Act 1997 requiring the Council to work with the Australian osteopathic regulatory authorities on common entry issues, Council members attended an annual meeting with the Australian regulators and worked closely on common



policies, especially accreditation. The 2007 meeting was held in Cairns, Australia. In 2008 this meeting will be held in New Zealand.

In the 2007-2008 financial year the Council had 4 council meetings in Wellington supported by several subcommittee meetings (by teleconference). The Registration Boards Secretariat (RBS) provided administrative support for the Council. Diane Totton was our registrar until the end of June and then Mike Fitzgerald of RBS filled this position until our new registrar, Annette Instone, began in January 2008.

During this year we also worked closely with four other regulatory authorities (Chiropractors, Podiatrists, Dietitians and the Optometrists and Dispensing Opticians Boards) to establish our own administration and move into a new office once our contracts with RBS were completed. This move was scheduled for May 2008.

As a result of an extensive strategic planning exercise and a financial review process, the council has been able to reduce the fee paid by osteopaths for the annual practising certificate for the next financial year. With a reserves policy in place and some careful budget decisions, we hope to reduce this fee further in the subsequent financial year.

On 31 March 2008 there were 366 Osteopaths in New Zealand with practising certificates. At the same time there were 486 Osteopaths on the Register, with 31 registrations having been granted during the year. There were 121 inactive osteopaths (those who are registered, but do not have an Annual Practising Certificate).

## The Osteopathic Council

The Osteopathic Council is the only regulatory authority established under the Health Practitioners Competence Assurance Act that has a consumer as chairperson.

The council has 8 members, 6 of whom are osteopaths and 2 consumers. Membership of the council changed during the year. The members are:

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Jean Drage (*Chair*) from Christchurch  
Deepa Ranchhod (*Deputy Chair*) from Wellington  
Sharon Awatere from Hastings  
Matthew Cooper from Wellington  
Paul Hume from Hamilton  
Stiofan MacSuibhne from Christchurch  
Dominic O'Sullivan from Hamilton  
Dennis Stewart from Hawera

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\* Sharon Awatere was appointed to the Council in September 2007. She replaced Duncan Bowles who resigned in May. Dominic O'Sullivan resigned in January 2008 to take up an academic position in Australia and Dennis Stewart resigned in February 2008. These members were not replaced during this financial year as no appointments were made.

## Continuing Professional Development

In light of the legislative requirement that the Osteopathic Council ensure osteopaths maintain their competence, the Council has established a continuing professional development (CPD) programme. Each year every osteopath is required to complete 25 approved CPD credits. These credits must include two core competency courses and an up to date first aid certificate.

The core competency programme was established in 2006 to meet the requirements of the Health Practitioners Competence Assurance Act 2003 that the Council set standards and assess the clinical competence, cultural competence and ethical standards to be observed by registered osteopaths. This standard of competence is based on a set of six core competencies – clinical skills, communication, cultural, legal and ethical requirements, and professional development.

In 2007 osteopaths completed the cultural competencies and ethical requirements courses and in 2008 the compulsory courses are in legal requirements and professional management.

## The Osteopathic Workforce

Statistics collated for the Workforce Taskforce Meeting in October 2007 show that there were slightly more male than female osteopaths working in New Zealand at that time and that more than 80 percent work in the North Island.

Of the 335 osteopaths with a current annual practising certificate at that time, slightly more than half (184) had UK based qualifications and about a third had gained their osteopathic qualification in New Zealand. New Zealand has a higher ratio of osteopaths to population than both Australia and the UK.

## Registration Criteria

The qualifications required for Registration are:

All applicants must either:

- Hold a Master of Osteopathy awarded by Unitec New Zealand

**Or**

- Pass an assessment or examination set or approved by the Council

(Applicants must provide evidence of osteopathic qualifications in order to sit this exam)

Under the Trans-Tasman Mutual Recognition Act 1997 all osteopaths registered with an Australian state or territory authority may also apply for registration in New Zealand.

## Annual Practising Certificate

All registered osteopaths must apply for an annual practising certificate by 31 March 2008 in order to continue practising. Applications must show evidence of having undertaken 25 continuing professional development credits including the two mandatory core competency courses, between 1 January 2007 and 31 December 2007. They must also hold a first aid certificate that is current at 31 December 2007.

## Fees

Fees for registration and for an annual practising certificate for the period 1 April 2007 to 31 March 2008:

Application to register	\$600.00 plus GST
Practising certificate, if practising more than 10 hours per week	\$1,000.00 plus GST
Practising certificate, if practising 10 hours or less per week	\$500.00 plus GST
Practising certificate, if a newly qualified osteopath (i.e. applicants who completed their course in the period 1 April 2007 to 31 March 2008)	\$500.00 plus GST
Practising certificate for part-year 1 October to 31 March	\$500.00 plus GST
Examination Fee	\$3,000.00 plus GST
Examination Review	\$1,000.00 plus GST



**STATEMENT  
OF FINANCIAL  
PERFORMANCE**  
FOR THE YEAR ENDED  
31 MARCH 2008

	2008 \$	2007 \$
<b>Operating Revenue</b>		
Registration	18,600	22,200
Practising Certificate	315,111	324,034
Examination Fees	73,777	54,222
Recoveries	5,669	–
<b>Revenue From Operations</b>	<b>413,157</b>	<b>400,456</b>
Interest Received	55,018	36,365
Other Income	535	297
<b>Total Revenue</b>	<b>468,710</b>	<b>437,118</b>
<b>Less Expenses</b>		
Advertising	3,312	–
Audit Fee	2,710	2,451
Bank Fees & Charges	5,830	4,713
Authority Member Fees	48,887	35,445
Catering	1,104	1,407
Chair Fees	3,863	–
Committee Fees	14,977	38,951
Conferences / Seminars	432	7,695
Examiners Costs	25,489	26,288
Other Expenses	–	2,690
Hire of Plant & Equipment	836	657
Room Hire	12,651	12,551
HPDT Costs	6,438	27,199
Legal Fees	9,868	1,628
PCC Fees	–	5,314
Postage	2,935	2,844
Printing & Stationery	5,037	9,390
Professional Fees	22,164	–
Contract Fees	2,488	–
Service Charges	115,455	98,644
Teleconferences	867	378
Telephone	3,931	3,715
Training	542	–
Travelling Expenses	40,968	29,121
Website – Development	–	902
<b>Total Expenses</b>	<b>330,784</b>	<b>311,983</b>
<b>Net Surplus for the Period</b>	<b>137,926</b>	<b>125,135</b>

	2008 \$	2007 \$
<b>Equity at the Beginning of the Period</b>	<b>462,106</b>	<b>336,971</b>
<b>Surplus and Revaluations</b>		
Net Surplus for the Period	137,926	125,135
<b>Total Recognised Revenues and Expenses for the Period</b>	<b>137,926</b>	<b>125,136</b>
<b>Equity at the End of the Period</b>	<b>600,032</b>	<b>462,106</b>

## STATEMENT OF MOVEMENTS IN EQUITY

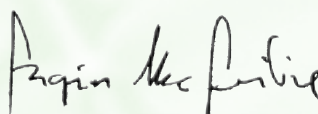
FOR THE YEAR ENDED  
31 MARCH 2008



**STATEMENT  
OF FINANCIAL  
POSITION**  
AS AT 31 MARCH 2008

	2008 \$	2007 \$
<b>Current Assets</b>		
Westpac Bank	222,606	178,194
Westpac Bank Cash Management Account	6,383	93,816
Westpac Term Deposits	644,311	466,745
Accrued Income	7,448	1,761
<b>Total Current Assets</b>	<b>880,748</b>	<b>740,516</b>
<b>Non Current Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable	35,385	24,031
Income In Advance	224,708	228,968
GST Payable	20,623	25,411
<b>Total Current Liabilities</b>	<b>280,716</b>	<b>278,410</b>
<b>Net Assets</b>	<b>600,032</b>	<b>462,106</b>
<b>Accumulated Funds</b>		
Retained Surplus	600,032	462,106
<b>Total Equity</b>	<b>600,032</b>	<b>462,106</b>

For and on behalf of the Board

Chairperson:  Date: 5 November 2008

Registrar:  Date: 5 November 2008

## 1. STATEMENT OF ACCOUNTING POLICIES

### REPORTING ENTITY

The Osteopathic Council is constituted under the Health Practitioners Competence Assurance Act 2003.

These financial statements have been prepared in accordance with the Financial Reporting Act 1993.

The Council qualifies for differential reporting as it is not publicly accountable and is not large. The Board has taken advantage of all applicable differential reporting exemptions.

### GENERAL ACCOUNTING POLICIES

The measurement base adopted is that of historical cost. Reliance is placed on the fact that the business is a going concern.

Accrual accounting is used to match expenses and revenues.

### CHANGES IN ACCOUNTING POLICIES

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

### SPECIFIC ACCOUNTING POLICIES

#### (a) Annual Practising Certificate Income

Annual Practising Certificate and Examination Fee Income is recorded only upon receipt. No Accounts Receivable are recognised and receipts for Annual Practising Certificates and Examination Fees issued for future years are shown as Income Received in Advance.

#### (b) Goods & Services Taxation (GST)

The Financial Statements have been prepared on a tax exclusive basis with the exception of Accounts Receivable and Accounts Payable which include GST.

#### (c) Investments

Investments are recognised at cost. Investment income is recognised on an accruals basis where appropriate.

#### (d) Income Tax

The Council is exempt from Income Tax.

## 2. CONTINGENT LIABILITIES AND COMMITMENTS

There are no contractual commitments existing as at 31 March 2008. (2007: \$98,644).

There are no contingent liabilities (2007: NIL).

## 3. RELATED PARTY TRANSACTIONS

There were no transactions involving related parties during the year, other than those already disclosed elsewhere in these Financial Statements.

PKF Martin Jarvie  
Chartered Accountants



**AUDIT REPORT  
TO THE READERS OF  
THE OSTEOPATHIC COUNCIL OF NEW ZEALAND'S  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

The Auditor-General is the auditor of The Osteopathic Council of New Zealand (The Osteopathic Council). The Auditor-General has appointed me, Paolo Ryan, using the staff and resources of PKF Martin Jarvie, to carry out the audit of the financial statements of the Council, on his behalf, for the year ended 31 March 2008.

**Unqualified Opinion**

In our opinion, the financial statements of The Osteopathic Council on pages 5 to 8:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
  - The Osteopathic Council's financial position as at 31 March 2008; and
  - the results of its operations for the year ended on that date.

The audit was completed on 5 November 2008, and 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 Members of the Council and the Auditor, and explain our independence.

**Basis of Opinion**

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's 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.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;

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PKF Martin Jarvie is an independent member of PKF International



- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

### **Responsibilities of the Members of the Council and the Auditor**

The Members of the Council are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of The Osteopathic Council as at 31 March 2008 and the results of its operations for the year ended on that date. The Members of the Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This 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 Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in The Osteopathic Council of New Zealand.



### **Paolo Ryan**

#### **PKF Martin Jarvie**

On behalf of the Auditor-General  
Wellington, New Zealand

### **Matters relating to the electronic presentation of the audited financial report**

This audit report relates to the financial report of The Osteopathic Council of New Zealand for the year ended 31 March 2008 included on The Osteopathic Council's website. The Council is responsible for the maintenance and integrity of the website. We have not been engaged to report on the integrity of The Osteopathic Council's website. We accept no responsibility for any changes that may have occurred to the financial report since it was initially presented on the website.

The audit report refers only to the financial report named above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If readers of this report are concerned with the inherent risks arising from the electronic data communication they should refer to the published hard copy of the audited financial report and related audit report dated [signing date] to confirm the information included in the audited financial report presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial reports may differ from legislation in other jurisdictions.

## Contacting the Council

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