

THE OSTEOPATHIC
COUNCIL OF
NEW ZEALAND



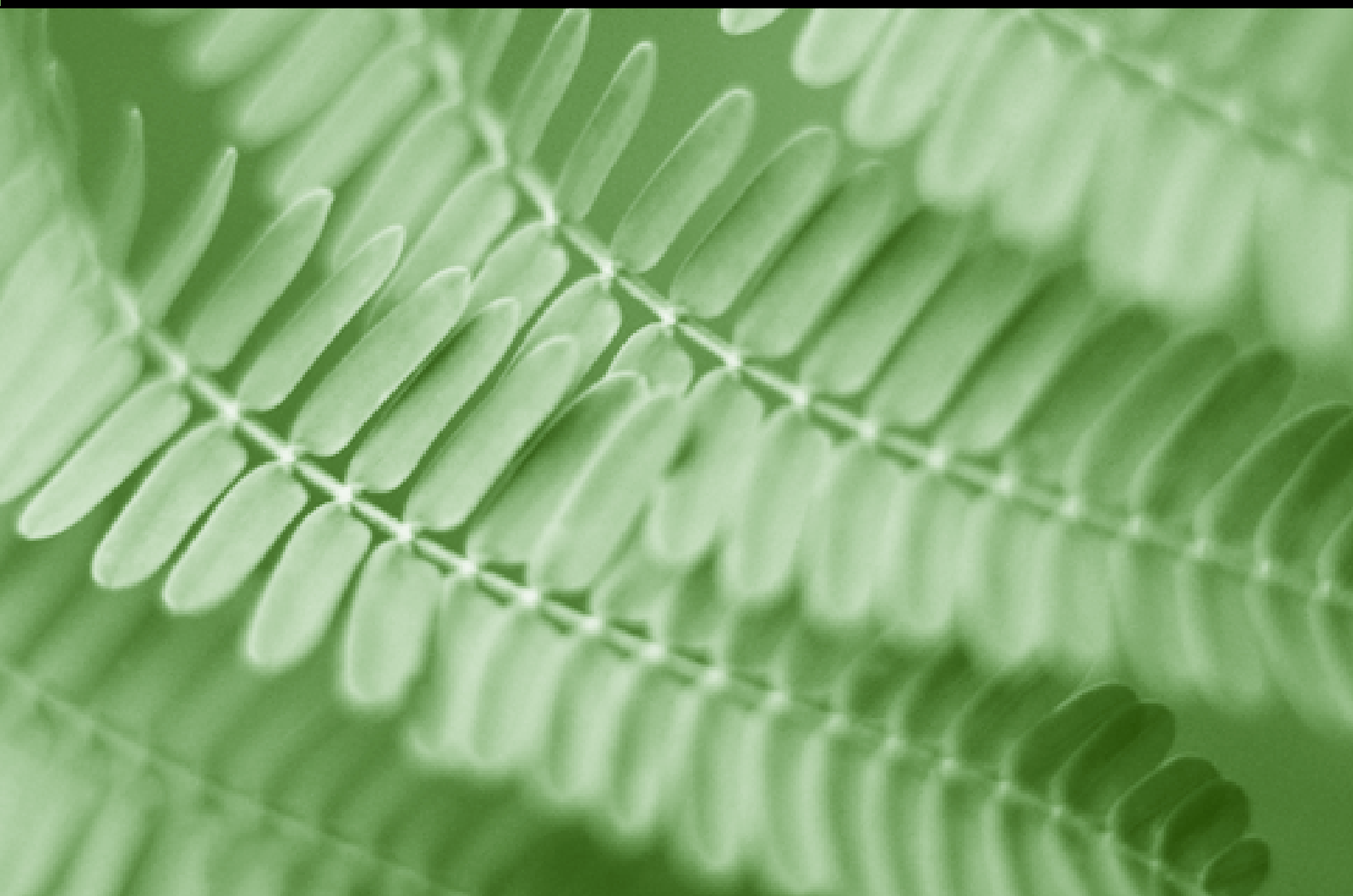
Te Kaunihera Raweke
Wheuaa o
Aotearoa



Annual Report

To the Minister of Health for the
year **2005-2006**

THE OSTEOPATHIC COUNCIL OF NEW ZEALAND



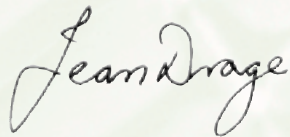
THE OSTEOPATHIC COUNCIL OF NEW ZEALAND

ANNUAL REPORT FOR THE YEAR 2005/2006

Hon. Pete Hodgson
Minister of Health
Parliament Buildings
WELLINGTON

It is with much pleasure that I present the second Annual Report of the Osteopathic Council of New Zealand.

This report highlights the Osteopathic Council's activities for the second year since the Council was established following the enactment of the Health Practitioners Assurance Act 2003. It also contains the audited accounts for the year ending 31 March 2006.

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

The Health Practitioners Competence Assurance Act 2003 provided for osteopaths practising in New Zealand to be included in the same legislation as other regulated health practitioners and to practise as statutory regulated health professionals. As a result the Osteopathic Council was set up as the regulatory authority that ensures the provisions of the Act are complied with.

While our first year was one in which we set up the detailed regulatory framework for registration of all osteopaths, this second year has seen the focus shift to establishing programmes that ensure the ongoing competence of all osteopaths working in New Zealand. It has also been a year in which much of the infrastructure of the new Council has been established.

The continuing professional development programme was established following consultation with the profession on a set of core competency courses which all osteopaths are required to attend in the next 3 years. A core competency framework has been developed to form the basis of these courses and a programme of providers approved.

The Council has also set up a Professional Conduct Committee to deal with complaints against osteopaths not referred to the Health and Disability Commissioner. Several resources have been developed in association with this professional conduct process; resources that provide information for both the public and the profession.

Policies developed during this year include a Code of Ethics which is intended to provide a common standard for all osteopaths and a benchmark for the public on the standard of practice they can expect from an osteopath. A framework for competence reviews has also been developed.

The Council has made it a priority to keep the profession informed on policies being developed and issues discussed. To this end, we have published two newsletters (May and November), met with the osteopathic professional associations and with Unitec staff and students. We have also consulted the profession on policies and processes under development, including our draft Code of Ethics, Professional Conduct Committee guidelines and continuing professional development. The Council also has ongoing involvement in the Health Regulatory Authorities of New Zealand (HRANZ).

While Unitec currently provides the only New Zealand based qualification for osteopaths, the Council's exam process continues to be the main entry point for overseas osteopaths applying for New Zealand registration. Exams are currently held at the Unitec Osteopathic Clinic in Auckland with each applicant doing three clinically based assessments of one hour each and being examined by a moderator and two examiners. All applicants wanting to sit this exam must already have an osteopathic qualification.

This exam process has been reviewed by the Osteopathic Council with the result that the process has been streamlined and an increased number of examiners selected and trained.

The Trans-Tasman Mutual Recognition Act 1997 provides the basis for our work with Australian osteopathic regulatory authorities on common entry level issues such as examination standards and accreditation of training institutions.

This year members of the Osteopathic Council have looked at the way that we work as a governance body and as a result have established a Governance Code that looks, in particular, at issues of conflict of interest.

In the 2005-2006 financial year the Council had 6 council meetings in Wellington supported by several sub committee meetings (by teleconference).¹ The Registration Boards Secretariat (RBS) provides administrative support for the Council and a new registrar, Diane Totton, was appointed in July 2005.

On 31 March 2006 there were 320 Osteopaths in New Zealand with practicing certificates. At the same time there were 413 Osteopaths on the Register, 33 registrations having been granted during the year. Two osteopaths were removed from the Register during the year.

The Osteopathic Council

The Osteopathic Council is the only regulatory authority established under the HPCA Act that has a consumer as chairperson.

The Council has 8 members, 6 of whom are osteopaths and 2 consumers. The members are:

Duncan Bowles from Napier*
Alison Couldrey from Nelson
Bruce Harper from Auckland
Paul Hume from Hamilton
Deepa Ranchhod (*Deputy Chair*) from Wellington
Dennis Stewart from Hawera
Jean Drage (*Chair*) from Wellington
Ihi Heke from Dunedin /Dominic Sullivan from Hamilton*

*Duncan Bowles was appointed to the Council in July 2005. He replaced Alex Jones.

*Ihi Heke resigned in September 2005 and was replaced by Dominic Sullivan in February 2006.

¹ The Council has established 6 subcommittees: Finance, Registrations Assessment and Examination, Education, Competence, Professional Conduct and Ethics and Legislation.

Continuing Professional Development

In light of the legislative requirement that the Osteopathic Council develop systems that ensure osteopaths maintain their competence, the Council has established a continuing professional development (cpd) programme. During the first year of this programme (18 Sept 2004 – 31 December 2005) all osteopaths were required to complete 25 hours of approved cpd including a compulsory first aid course. These cpd requirements could be fulfilled through various means, including attending Council approved courses, peer group meetings, teaching, tertiary study and annual general meetings of osteopathic associations. All practitioners were expected to keep a portfolio of courses attended with proof of this attendance. Applications for annual practicing certificates must include, as an attachment, these completed cpd portfolios.

From 1 January 2006 a mandatory core competency programme must also be completed as part of the cpd requirements each year.

Core Competency Programme

The Osteopathic Council has also set up a three year core competency programme that forms the basis of the continuing professional development (cpd) training from 2006 onwards. This programme has been established to meet the requirements in the HPCA Act 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 developed by the Council in consultation with the profession. These competencies are clinical skills; communication; cultural, legal requirements, ethical requirements and professional management.

In 2006 the two mandatory core competency courses which must be completed as part of the cpd programme are clinical skills and communication. These courses have been provided by the osteopathic associations.

Restricted Activity

In August 2005 the application of high-velocity, low-amplitude manipulative techniques to cervical spinal joints was gazetted as an activity restricted to osteopaths, chiropractors and physiotherapists as per the powers under Section 9 of the HPCA Act 2003 which restricts certain activities to particular health practitioners.

Professional Conduct Committee

Whilst the HPCA Act 2003 requires that complaints against health practitioners are referred to the Health and Disability Commissioner, in some instances the Osteopathic Council is asked to deal with some complaints. For this reason, the Council has established a Professional Conduct Committee (PCC) as per Section 71 of the Act.

Three osteopaths and two consumers have been appointed to the PCC. The osteopaths are Anna Swindells (chairperson), Oliver Russell and Nigel Brooke. They all bring extensive experience to the committee, having been members of their association complaints procedures in the past. The consumer members are Barbara Robson and Nola Fox.

The Council has developed a package of resources on the complaints process that includes a set of guidelines for the PCC, information on the complaints process for all those involved in a complaint and a Code of Ethics. A training day has also been held for members of the PCC.

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 (except Western Australia) may also apply for registration in New Zealand.

Annual Practising Certificate

All registered osteopaths in New Zealand must apply for an annual practising certificate by 31 March 2006 in order to continue practising in 2007. Applications must show evidence of having undertaken 25 continuing professional development credits including a current first aid certificate between 1 January 2005 and 31 December 2005.

Fees

Fees for registration and for an annual practising certificate for the period 1 April 2005 to 31 March 2006 were:

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 newly graduated osteopath (i.e. applicants who completed their course in the period 1 April 2005 to 31 March 2006)	\$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 2006

	2006	2005
\$	\$	\$
REVENUE		
Registration Fees	16,200	241,200
Annual Practising Certificates	314,147	173,310
Examination Fee	66,667	36,000
Grants	–	101,778
Interest Income	28,174	2,915
Other Income	201	–
Total Revenue	425,389	555,203
LESS EXPENDITURE		
Advertising	–	1,914
Audit Fees	2,041	1,353
Bank Charges	2,991	5,247
Board Member Fees	77,406	130,560
Disciplinary Committee Members Fees	4,052	3,008
Conferences/Seminars	3,660	6,813
Catering	1,553	3,111
Examiners Fees	24,502	11,506
Equipment Hire	602	826
Room Hire	–	857
Legal Fees	6,541	608
HPDT–Establishment Costs	–	251
Postage	2,455	4,260
Printing & Stationery	8,438	12,538
Professional Fees	45,300	5,244
Publications	152	353
Salaries & Service Charges	99,592	96,348
Website Upgrades	2,005	–
Teleconference Costs	1,698	–
Telephone	3,193	4,541
Travelling Expenses	27,846	36,620
Examiners Travel (airfares, parking, taxi)	137	–
Examinations Standards Development	3,500	–
Total Expenditure	317,664	325,958
NET SURPLUS/(DEFICIT)	107,725	229,245

**STATEMENT
OF MOVEMENTS
IN EQUITY**
FOR THE YEAR ENDED
31 MARCH 2006

	2006	2005
\$	\$	\$
Equity at Beginning of Year	229,245	–
Net Surplus/(Deficit) for Year	107,725	229,245
EQUITY AT END OF YEAR	336,970	229,245

The attached NOTES form part of these Financial Statements

STATEMENT
OF FINANCIAL
POSITION

AS AT 31 MARCH 2006

	2006	2005
	\$	\$
EQUITY	336,970	229,245
Represented By:		
CURRENT ASSETS		
Accrued Income	3,912	203
Westpac Cheque Account	272,674	33,567
Westpac Call Account	101,756	350,283
Westpac Term Deposits	262,136	151,505
Total Current Assets	640,478	535,558
TOTAL ASSETS	640,478	535,558
CURRENT LIABILITIES		
Income Received in Advance	243,500	257,988
Accounts Payable	33,702	18,843
GST Payable	26,306	29,482
Total Current Liabilities	303,508	306,313
TOTAL LIABILITIES	303,508	306,313
NET ASSETS	336,970	229,245

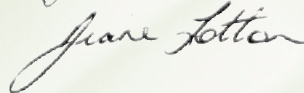
For and on behalf of the Board

Chairperson:



Date: 18 October 2006

Registrar:



Date: 18 October 2006

**NOTES TO THE
2006 FINANCIAL
STATEMENTS****1. STATEMENT OF ACCOUNTING POLICIES****REPORTING ENTITY**

The 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 Council 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.

SPECIFIC ACCOUNTING POLICIES**Annual Practising Certificate Income**

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

Goods & Services Tax

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

Investments

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

Income Tax

The Council has been granted Charitable Status by the Inland Revenue Department. Therefore, under exemption CW34(1)(b) of the Income Tax Act 2004 the Council is exempt from Income Tax.

2. CONTINGENT LIABILITIES AND COMMITMENTS

A contractual liability of \$98,644 (2005 \$197,288) exists to the Registration Boards Secretariat Limited regarding service charges until 28 February 2007.

3. RELATED PARTY TRANSACTIONS

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

Martin Jarvie PKF
Chartered Accountants

PKF

Accountants &
business advisers

**AUDIT REPORT TO THE MEMBERS OF THE
OSTEOPATHIC COUNCIL OF NEW ZEALAND**

We have audited the Financial Statements consisting of the Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position, and Notes to the Financial Statements. The Financial Statements provide information about the past performance of the Osteopathic Council of New Zealand and its financial position as at 31 March 2006. This information is stated in accordance with the accounting policies set out in the Notes to the Financial Statements.

Council's Responsibilities

The Council is responsible for the preparation of Financial Statements, which gives a true and fair view of the financial position of the Osteopathic Council of New Zealand as at 31 March 2006 and of the results of operations for the year ended on that date.

Auditor's Responsibilities

It is our responsibility to express an independent opinion on the Financial Statements presented by the Council and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the Financial Statements. It also includes assessing:

- The significant estimates and judgements made by the Council in the preparation of the Financial Statements; and
- Whether the accounting policies are appropriate to the Osteopathic Council of New Zealand's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the Financial Statements.

Other than in our capacity as Auditors, we have no relationship with or interest in the Osteopathic Council of New Zealand.

Unqualified Opinion

We have obtained all the information and explanations that we have required.

In our opinion:

- Proper accounting records have been kept by the Council as far as appears from our examination of those records; and
- The Financial Statements:
 - comply with generally accepted accounting practice; and
 - give a true and fair view of the financial position of the Osteopathic Council of New Zealand as at 31 March 2006 and the results of its operations for the year ended on that date.

Our audit was completed on 18 October 2006 and our unqualified opinion is expressed as at that date.


Martin Jarvie PKF
Chartered Accountants
WELLINGTON

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Martin Jarvie PKF is an independent member of PKF International

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