

THE OSTEOPATHIC  
COUNCIL OF  
NEW ZEALAND



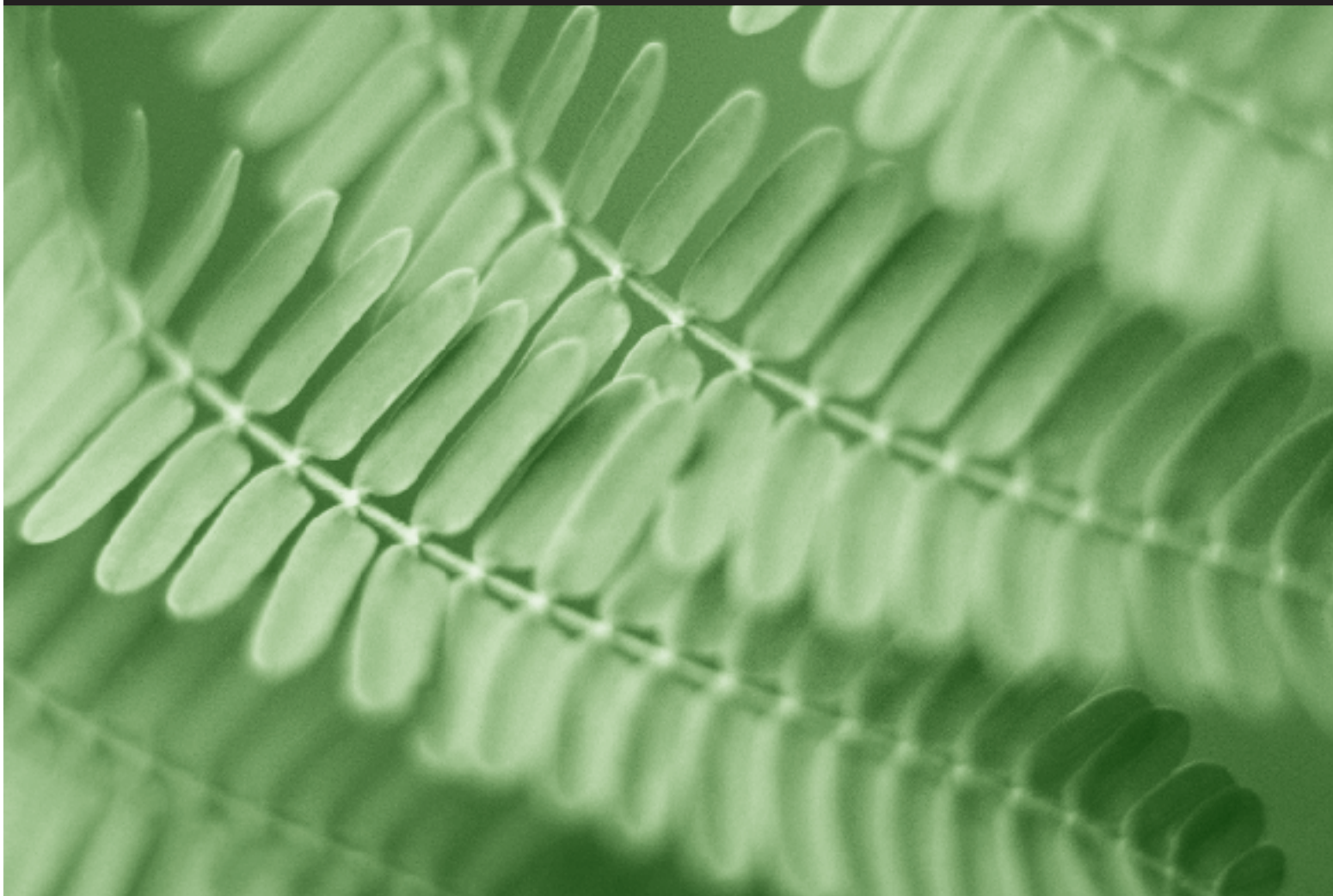
Te Kaunihera Raweke  
Whenua o  
Aotearoa



# Annual Report

To the Minister of Health for the  
year 2004-2005

THE OSTEOPATHIC COUNCIL OF NEW ZEALAND



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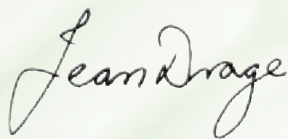
ANNUAL REPORT FOR THE YEAR 2004/2005

Hon. Annette King  
Minister of Health  
Parliament Buildings  
WELLINGTON

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

The Osteopathic Council was established with the passing of the Health Practitioners Competence Assurance Act in 2003. The enactment of the HPCA Act on 18 September 2004 has meant that, for the first time, osteopaths practising in New Zealand have come under the same legislation as other regulated health practitioners and now practise as statutory regulated health professionals.

This report highlights the Council's activities for the first fourteen months since it was established and contains the audited accounts for the year ending 31 March 2005.



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.

Our first year has been an extremely busy one: our first task being to establish the regulatory framework for registration of all osteopaths by the 18 September. To do this we had to decide on the qualifications required for registration and the osteopathic scope of practice; to set up a public register of osteopaths; establish the competency programme on which annual practising certificates are granted and set up systems for complaints and discipline.

When the Osteopathic Council met for the first time on 11 February 2004 we had seven months to establish the policy and procedures for registration and then process every osteopath who applied for registration in time for the 18 September start up date. Consequently a great deal was done in a brief time. By the end of the 2003-2004 financial year the Council had held 14 council meetings (5 of which were 2 day meetings) and many subcommittee meetings (the latter by teleconference).<sup>1</sup>

Initial tasks involved developing a business plan and a budget, establishing a database of all known osteopaths practising in New Zealand and meeting with osteopathic associations and other stakeholders. To prepare for the 18 September registration process, a scope of practice and qualifications criteria for registration on this date was developed. Criteria were also developed for registering osteopaths once the initial registration process was finished – after 18 September 2004. A draft core competency programme and criteria for continuing professional development were also developed as the basic requirement for issuing Annual Practising Certificates in the future.

The Council also set up an exam process for overseas osteopaths applying for New Zealand registration. Exams are currently held at the Unitec Osteopathic Clinic in Auckland, each applicant undertakes three clinically based assessments of one hour each and is examined by a moderator and two examiners.

We were grateful to the NZRO who willingly provided us with the examination process already established by this association as a standard for entry into the profession in this country. This exam process is currently being reviewed.

The Council is also involved in a working party with osteopathic registration boards in Australian states which is looking at a common standard for entry under the Trans-Tasman Mutual Recognition Act 1997.

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<sup>1</sup> The Council has established 6 subcommittees: Finance, Registration Assessment and Examination, Education, Competence, Professional Conduct and Ethics and Legislation.

As the Council's operation is entirely funded through registration and annual practising certificate fees we had no funding until osteopaths registered in September. We applied to the osteopathic associations for grants to fund the initial six-month set up costs and also had an overdraft with Westpac. We are very grateful to NZRO for the grant of \$100,000 and to NZOA for \$2,000.

The Registration Boards Secretariat (RBS) was contracted to provide support services and the Council's first registrar, Nancy Sutherland, was employed in April. The Council is grateful to Nancy for the great deal of work she undertook during the registration process.

On 31 March 2005 there were 360 Registered Osteopaths in New Zealand.

## 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:

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Alex Jones (*Deputy Chair*) from Hamilton\*

Alison Couldrey from Nelson

Bruce Harper from Auckland

Deepa Ranchhod from Wellington

Dennis Stewart from Hawera

Paul Hume from Hamilton

Ihi Heke from Dunedin

Jean Drage (*Chair*) from Wellington

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\*Alex Jones resigned at the end of March 2005 to return to the United Kingdom.

## Consultation

The Council has made it a priority to consult with both the osteopathic profession and other stakeholders. An initial meeting was held with the osteopathic associations in April to discuss their role prior to the HPCA Act being established, the new Osteopathic Council's role, and details of the new registration process.

Two consultation documents were distributed during this year. The first, in May 2004, while providing information to the profession on the HPCA Act and the new Osteopathic Council, asked for feedback on a draft scope of practice and qualification criteria for registration on 18 September 2004. The second, in October 2004, asked for feedback on a draft set of core competencies, proposed continuing professional development requirements and assessment criteria.

The Chairperson spoke to the osteopathic associations' annual general meetings and to staff and final year students at Unitec. The Council also met with the Head of the Osteopathy School at Unitec to discuss the curriculum for the Masters in Osteopathy and with the exam moderator to discuss examination procedures. And the Chairperson and the Registrar met with ACC to discuss the proposed registration process and criteria.

The Council Chairperson and Registrar were also involved in meetings with other health registration authorities within RBS and the Health Regulatory Authorities of New Zealand. And the Deputy Chairperson and the Registrar represented the Council at the annual meeting of the Australasian Conference of Osteopaths Registration Boards.

## The Osteopathic Scope of Practice

*(as published in the New Zealand Gazette in September 2004)*

Registered osteopaths are primary healthcare practitioners who facilitate healing through osteopathic assessment, clinical differential diagnosis and treatment of dysfunctions of the whole person. Osteopaths use various recognised techniques to work with the body's ability to heal itself, thereby promoting health and wellbeing. These osteopathic manipulative techniques are taught in the core curricula of accredited courses in osteopathy. The ultimate responsibility for recognition of practice lies with the Osteopathic Council of New Zealand.

## Registration Criteria

The Osteopathic Council decided that with the intent of the HPCA Act being to protect members of the public, there could be no grandfather provision for currently practising osteopaths. Instead it was decided that all osteopaths would be individually assessed against qualifications criteria. It was also decided that those osteopaths who did not meet this criteria (i.e. their osteopathic qualification was not prescribed by the Council) would be given a 6 month period to prove that their qualification was of a similar standard to those prescribed. If not, they were expected to sit the examination by 31 March 2005.

Therefore eligibility for registration on 18 September 2004 was based on the following criteria:

- Applicants with a qualification prescribed by the Council may be registered in a scope of practice and issued with an annual practising certificate
- Applicants with an osteopathic qualification not prescribed by the Council may be registered in a scope with conditions and issued with an interim practising certificate. The qualification would then be assessed by the Council before 31 March 2005. If the applicant is considered to be appropriately qualified, he or she will be granted unconditional registration. If not, he or she will be required to undertake an assessment by 31 March 2005.

- Applicants with no verifiable osteopathic qualification will have to undertake an assessment before 18 September 2004.

The qualifications required for registration on 18 September 2004 (as published in the New Zealand Gazette in July 2004) were:

### **Qualifications Prescribed for Registration in a Scope of Practice**

#### ***Scope of Practice: Osteopath***

Pursuant to section 12 of the Act, the Council has prescribed the following qualifications for registration in the Scope of Practice – Osteopath:

Applicants who have practised osteopathy in New Zealand before 18 September 2004 and apply for registration by or on 18 September 2004 must either:

- *Hold one or more of the following qualifications:*
  - BA.Ost.Sc
  - B.App.Sc (Human Biology) plus Master of Osteopathy
  - B.App.Sc (Osteopathy)
  - B.App.Sc (Clinical Science) plus BSc Osteopathy
  - B.App.Sc (Clinical Science) plus Bachelor of Osteopathic Science
  - Bachelor of Osteopathy
  - Bachelor of Osteopathic Medicine
  - BSc (Clinical Science) plus Master of Health Science – Osteopathy
  - BSc (Hons) Osteopathy
  - BSc (Hons) Osteopathic Medicine
  - Diploma of Osteopathy
  - Grad.Dip.Osteopathy
  - Grad.Dip.Clinical Osteopathy
  - Master of Osteopathy
  - Member of the London College of Osteopathic Medicine
  - MHSc (Ost)
- *Awarded by one of the following institutions:*
  - British College of Osteopathic Medicine, United Kingdom
  - British College of Naturopathy and Osteopathy, United Kingdom
  - British School of Osteopathy, United Kingdom
  - College of Osteopaths, United Kingdom
  - European School of Osteopathy, United Kingdom
  - London College of Osteopathic Medicine, United Kingdom
  - London School of Osteopathy, United Kingdom
  - Osteopathic College of New Zealand, New Zealand
  - Oxford Brookes University, United Kingdom

- Phillip Institute of Technology, Australia
- RMIT University, Australia
- Royal Melbourne Institute of Technology, Australia
- South Pacific College of Naturopathy and Osteopathy, New Zealand
- Surrey Institute of Osteopathic Medicine, United Kingdom
- Unitec New Zealand, New Zealand
- University of Western Sydney, Australia
- Victoria University of Technology, Australia

**Or**

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

The qualifications required for Registration now (after 18 September 2004) 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.

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

## Fees

Fees for registration and for an annual practising certificate for the period 18 September 2004 to 31 March 2005 were:

Application to register	\$600.00 plus GST
Practising certificate, if practising more than 10 hours per week	\$497.78 plus GST
Practising certificate, if practising 10 hours or less per week	\$248.89 plus GST
Practising certificate for osteopaths who graduate and are registered in the period 20 September 2004 – 31 March 2005	\$249.89 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 2005

	Note	2005	2005
		\$	\$
<b>REVENUE</b>			
Registration Fees		241,200	
Annual Practising Certificates		173,310	
Examination Fees		36,000	
Grants NZRO		100,000	
Interest Income		2,915	
Other Income (NZOA Grant)		1,778	
<b>Total Revenue</b>		<b>555,203</b>	
<b>LESS EXPENDITURE</b>			
Advertising		1,914	
Audit Fees		1,350	
Bank Charges		5,250	
Board Member Fees	130,560		
Committee Members Fees		3,008	
Consultancy Fees		6,813	
Catering		3,111	
Examiners Fees	11,506		
Equipment Hire		826	
Room Hire		857	
Legal Fees		608	
HPDT – Establishment Costs		251	
Postage		4,260	
Printing & Stationery	12,538		
Professional Fees		5,244	
Publications		353	
Service Charges	96,348		
Telephone		4,541	
Travel & Accommodation – NZ	33,001		
Travelling Expenses – Australia		1,219	
Travelling Expenses – Overseas		629	
Travel Non-Deductable		1,771	
<b>Total Expenditure</b>		<b>325,958</b>	
<b>NET SURPLUS/(DEFICIT)</b>		<b>229,245</b>	

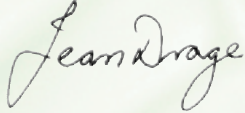
**STATEMENT  
OF MOVEMENTS  
IN EQUITY**  
FOR THE YEAR ENDED  
31 MARCH 2005

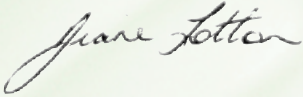
	Note	2005	2005
		\$	\$
Net Surplus/(Deficit) for Year		229,245	

The attached NOTES form part of these Financial Statements

	Note	2005 \$	2005 \$
<b>EQUITY</b>			229,245
<b>Represented By:</b>			
<b>CURRENT ASSETS</b>			
Accrued Income		203	
Westpac Cheque Account		33,567	
Westpac Call Account		350,283	
Westpac Term Deposits		151,505	
<b>Total Current Assets</b>		535,558	
<b>TOTAL ASSETS</b>			535,558
<b>CURRENT LIABILITIES</b>			
Income Received in Advance		257,988	
Accounts Payable		18,843	
GST Payable		29,482	
<b>Total Current Liabilities</b>		306,313	
<b>TOTAL LIABILITIES</b>			306,313
<b>NET ASSETS</b>			229,245

For and on behalf of the Board

Chairperson:  Date: 19/08/2005

Registrar:  Date: 19/08/2005

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2005

**NOTES TO THE  
2005 FINANCIAL  
STATEMENTS****1. STATEMENT OF ACCOUNTING POLICIES****REPORTING ENTITY**

The Board 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 Board 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.

The Board commenced operating in September 2004, therefore these financial accounts represent seven months of operation.

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

**2. CONTINGENT LIABILITIES AND COMMITMENTS**

A contractual liability of \$197,288 exists to the Registration Boards Secretariat Limited regarding service charges for the next two years.

**3. RELATED PARTY TRANSACTIONS**

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



## **AUDIT REPORT TO THE MEMBERS OF THE OSTEOPATHIC COUNCIL**

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 and its financial position as at 31 March 2005. 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 as at 31 March 2005 and of the results of operations for the period ended 31 March 2005.

### **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'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.

### **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 as at 31 March 2005 and the results of its operations for the period ended on that date.

Our audit was completed on 19 August 2005 and our unqualified opinion is expressed as at that date.

Martin Jarvie PKF  
Chartered Accountants  
WELLINGTON

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Graham T. Langridge  
Robert A. Elms

*Independent Member of PKF International*

## Contacting the Council

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