



Social Workers
Registration Board

Kāhui Whakamana Tauwhiro

ANNUAL REPORT 2012–2013

Presented to the House of Representatives pursuant
to section 150 of the Crown Entities Act 2004

New Zealand Government



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PART 1: INTRODUCTION TO THE SOCIAL WORKERS REGISTRATION BOARD

THE SOCIAL WORKERS REGISTRATION BOARD

The Social Workers Registration Act 2003 (the Act) provides the framework for the registration of social workers.

A major purpose of the Social Workers Registration Act 2003 is:

- to protect the safety of members of the public, by prescribing or providing for mechanisms to ensure that social workers are:
 - competent to practise
 - accountable for the way in which they practise.

The Social Workers Registration Board (SWRB) was established under this Act, in November 2003. The SWRB, a Crown agent under the Crown Entities Act 2004, has the responsibility to organise the registration process, consider and take disciplinary actions relating to Registered Social Workers, encourage registration and act to enhance the professionalism of social workers.

The Social Workers Registration Board's Functions

The functions of the SWRB cover five distinct areas:

- the registration of social workers
- setting the standards for social work education
- consideration of complaints about Registered Social Workers
- promotion of the benefits of registration of social workers
- enhancing the professionalism of social workers.

Registration

The Board provides:

- the application forms and guidance notes for social workers wishing to obtain competence assessment
- the application forms and guidance notes for social workers wishing to apply for registration
- web-based downloads of forms and online information requests relating to recognised social work qualifications, applications for competence and registration, and information on maintaining registration
- contact with registration staff via phone and email for general information on the requirements for competence assessments and registration
- follow-up telephone calls, email and written correspondence advising of competence and registration progress as well as support to complete the registration process.

Qualification Standards

The Board sets the standards for social work education and training in New Zealand by:

- consulting with providers and other bodies that set standards for social work education and training in New Zealand, to promote and set standards
- undertaking five-yearly programme recognition panel visits to all Board recognised social work qualification providers

- providing ongoing advice and guidance to social work qualification providers on maintaining a recognised qualification and any issues regarding changes to programme delivery
- providing updates on Board policies regarding the process for recognition/re-recognition of social work qualifications.

Complaints System

The Complaints and Disciplinary Tribunal provides:

- the mechanism for anyone to make a complaint, either verbally or in writing, regarding the provision of social work services by Registered Social Workers
- Complaint Assessment Committees whose role is to investigate complaints against Registered Social Workers and provide recommendations to the Tribunal on whether:
 - the Board should review the competence or fitness of the Registered Social Worker concerned to practise social work (or both)
 - it should submit the complaint to conciliation
 - it should submit the complaint or conviction to the Tribunal for a hearing
 - no further steps should be taken under the Act in relation to the complaint or conviction
- for hearings of complaints based on recommendations from the Complaints Assessment Committees.

Professional Development

The Board provides:

- guidelines for Registered Social Workers around continuing professional development to support them to maintain registration
- web-based downloads, forms and online information relating to continuing professional development and the ongoing maintenance of registration
- contact with registration staff via phone and email to provide general information on the requirements for continuing professional development and maintaining registration
- regular audit of Registered Social Workers' continuing professional development portfolios
- follow-up telephone calls, email and written correspondence advising of audit requirements as well as advice for completion of professional development logs and audit requirements.

Information and Promotion

The Board provides information to the public, the profession and employers of social workers on:

- obtaining and maintaining registration
- Registered Social Workers and whether they hold current practising certificates and valid competence certificates
- the process for making complaints about the provision of social work services provided by Registered Social Workers
- the rights of people receiving social work services
- the responsibilities of Registered Social Workers.

The detailed description of the SWRB's functions is set out in Section 99 of the Act. In summary, they are:

- to receive and consider applications for registration and practising certificates, authorise the registration of social workers, and maintain the Register
- if the SWRB thinks fit, to adopt conditions subject to which all practising certificates, or the practising certificates of all Registered Social Workers of a particular description, must be issued
- to promote and encourage high standards of practice and professional conduct among Registered Social Workers and the employers of social workers
- to establish and maintain a Code of Conduct for Registered Social Workers, review the competence of social workers, and to consider the cases of Registered Social Workers who may be unable to perform adequately the functions required to practise social work satisfactorily
- in consultation with providers of social work education and training in New Zealand and bodies that set standards for social work education and training in New Zealand, to promote and set standards for such education and training, and recognise New Zealand educational qualifications for the purposes of the Act

- to promote the benefits of registration and the establishment of accessible and efficient procedures for making, considering and determining complaints relating to social workers
- to advise, and make recommendations to, the responsible Minister in respect of matters relating to the regulation of the social work profession
- subject to the Act, to disclose to the employers or prospective employers of social workers information it has obtained under this Act relating to people who are or have been applicants for registration or Registered Social Workers
- any other functions conferred or imposed on it by or under the Act or any other enactment.

Review of the Social Workers Registration Act 2003 and its Own Operations

Section 104 of the Social Workers Registration Act 2003 requires that at intervals of not more than five years the SWRB is to review the operation of the Act, and its own operations. The SWRB is required to:

- review the operation of the Act and its own operations
- consider the extent to which the Act, and the system of voluntary registration for which it provides, are achieving the stated purposes
- consider whether any amendments to the Act are necessary or desirable.

The SWRB last undertook a review of the Act in the 2011–2012 financial year and presented this to the Minister in December 2012.

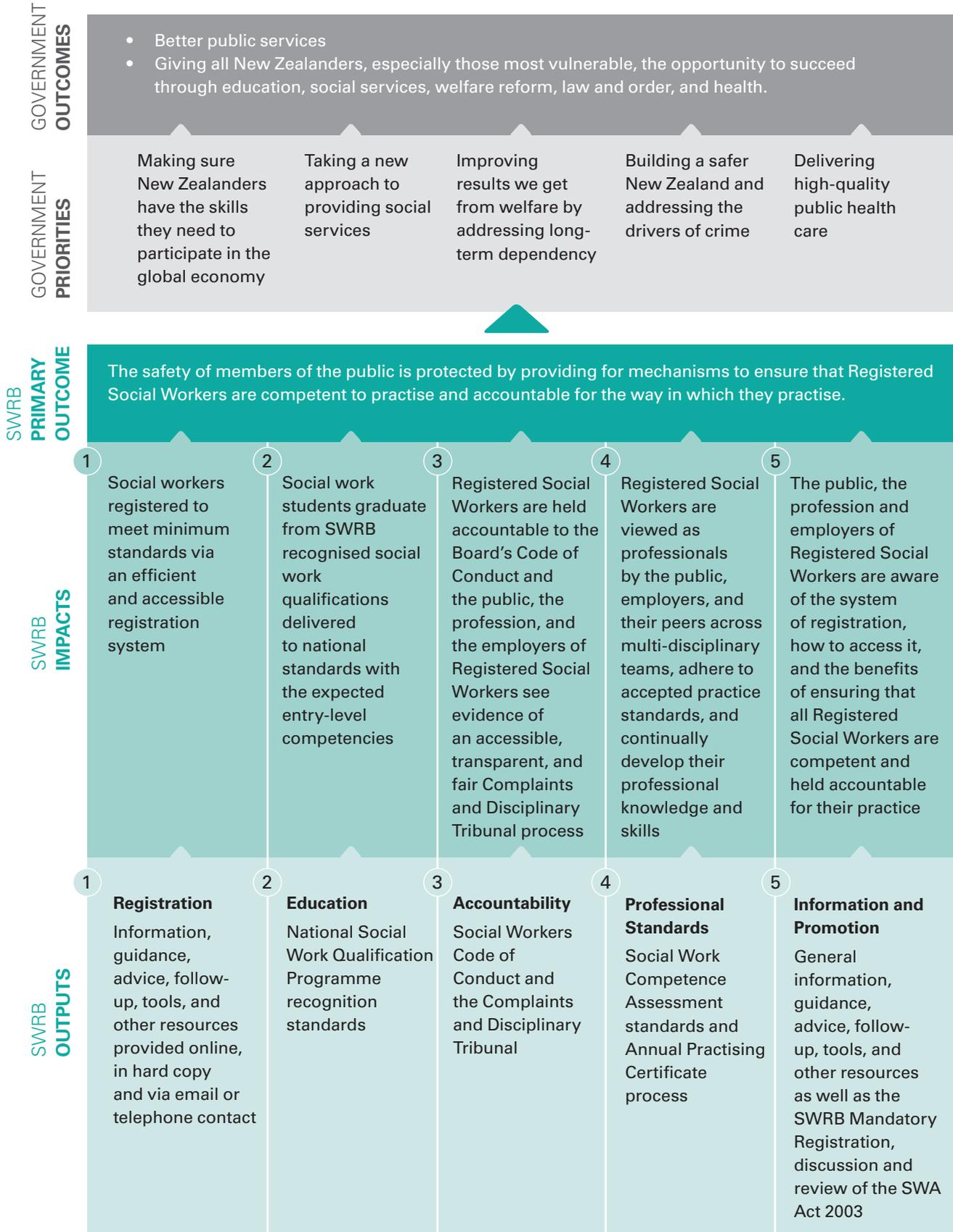
Goals, Outcomes and Objectives

The government is the major purchaser of social work services and has a significant interest in social worker quality and professionalism. In recognition of its status as a Crown agent and its national role, the SWRB has a stake in supporting the government's social objectives to increase economic growth, reduce inequality and improve the social and economic wellbeing of New Zealanders.

The SWRB has adopted the following outcomes framework to guide its work.

OPERATING FRAMEWORK

This framework outlines the services the SWRB intends to deliver, the expected results, and how the work of the SWRB will contribute to government goals.



IMPACTS

Impact 1: Social workers registered to meet minimum standards by means of an efficient and accessible registration system

Social workers will value registration, and the SWRB will implement an efficient system to ensure that applicants meet the minimum standards to practice as Registered Social Workers.

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual)	2012/13 (estimate)	2012/13 (actual)
Number of social workers applying for registration	397	547	585	500	598
Number of social workers having registration approved	303	445	603	500	559

Application packs are sent out to all individuals who intend to register. The application packs include guide notes and instructions on all that is required to meet the minimum criteria for registration. Applications are not accepted or recorded if the information provided does not meet the minimum criteria for assessment and the application is returned to the applicant.

Only complete applications that meet the minimum criteria are presented to the Board for approval. The Board are advised by the assessment staff if an application should be reviewed as a result of a specific issue. To date there is no evidence that any social worker registered by the Board has not met the minimum standards. Since 2005 only three applicants have appealed the decision of the Board not to register them and none of the three appeals were upheld.

Impact 2: Social work students graduate from SWRB-recognised social work qualifications delivered to national standards with the expected entry-level competencies

Potential social workers will see the value of a recognised social work qualification and providers will adhere to the national standards.

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual)	2012/13 (estimate)	2012/13 (actual)
Number of recognised social work qualification providers meeting programme recognition standards	15	15	16	17	17
Number of social work students graduating from recognised social work qualification providers	343	465	601	650	512

All social work qualifications at degree level or higher delivered by tertiary institutions have been assessed and recognised by the Board.

All students studying towards a social work qualification at degree level or higher will, therefore, be undertaking an SWRB-recognised social Work qualification.

Impact 3: Registered Social Workers are held accountable to the Board’s Code of Conduct and the public, the profession and the employers of Registered Social Workers see evidence of an accessible, transparent and fair Complaints and Disciplinary Tribunal process

The public and the profession will hold Registered Social Workers to account for their practice and the SWRB will act on complaints.

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual)	2012/13 (estimate)	2012/13 (actual)
Number of complaints received	14	22	26	30	34
Number of complaints received that are Referred to Health and Disability Commission	1	0	0	1	2
Number of Complaints received that are Currently Under Investigation	8	17	16	20	23
Number of complaints received that are Referred to Board for a Competence Review or Supervision	1	0	0	3	1
Number of Complaints received that are Referred to a Tribunal Hearing	0	0	0	1	0
Number of Complaints received that are Resolved or Decision to take No Further Action	4	5	10	12	6

The SWRB records all complaints received but can only act on complaints about Registered Social Workers as per the Social Workers Registration Act 2003.

If a complaint does not meet the threshold of a breach of the SWRB Code of Conduct, the Chair of the Tribunal can still refer the Registered Social Worker to the Board for a review of the competence or fitness of the Registered Social Worker to practise.

If a complaint against a Registered Social Worker is accepted by the Chair of the Tribunal it is referred to a Complaints Assessment Committee (CAC).

Once an accepted complaint is assessed by the CAC there are four options available to resolve the complaint:

- 1 Make a determination that no further steps should be taken.
- 2 Refer the complaint to Conciliation to try to help the Registered Social Worker and the complainant concerned to resolve the complaint by agreement.
- 3 Refer the Registered Social Worker to the Board to review the competence or fitness of the Registered Social Worker to practise.
- 4 Refer to a hearing of the Tribunal.

Only one complaint has been referred to the Tribunal for a hearing since the Tribunal was established. The Tribunal effectively utilises the conciliation process when dealing with complaints.

Many complaints remain open for some time as often the process of investigating a complaint on behalf of a complainant is lengthy and requires considerable work by the SWRB to extract information from the complainant and/or the organisation employing the Registered Social Worker.

Impact 4: Registered Social Workers are viewed as professionals by the public, employers and their peers across multi-disciplinary teams, adhere to accepted practice standards and continually develop their professional knowledge and skills

Registered Social Workers and their employers will recognise the value of maintaining professional registration.

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual)	2012/13 (estimate)	2012/13 (actual)
Number of Registered Social Workers eligible for the renewal of an Annual Practising Certificate	2485	2942	3425	3925	4029
Number of Registered Social Workers applying for the renewal of an Annual Practising Certificate	2078 (84% of total)	2475 (84% of total)	2854 (83% of total)	3336 (85% of total)	3446 (86% of total)
Number of Registered Social Workers indicating that they are no longer practising	255 (10% of total)	392 (13% of total)	403 (12% of total)	393 (10% of total)	529 (13% of total)
Number of Registered Social Workers not applying for the renewal of an Annual Practising Certificate	152 (6% of total)	75 (3% of total)	168 (5% of total)	196 (5% of total)	54 (1% of total)

Registration of social workers in New Zealand remains voluntary at this time.

The Board actively promotes registration of un-registered social workers. The Board also encourages Registered Social Workers to maintain their registration and employers to support the registration of the social workers they employ.

Impact 5: The public, the profession and employers of Registered Social workers are aware of the system of registration, how to access it and the benefits of ensuring that all Registered Social Workers are competent and held accountable for their practice

Registered Social Workers and their employers will recognise the value of applying for professional registration and the public will be assured of increased competent, accountable social work practice when they engage with social workers across the profession.

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual)	2012/13 (estimate)	2012/13 (actual)
The number of Registered Social Workers employed by government departments	964 (40%)	1024 (35%)	1080 (32%)	1158 (30%)	1180 (29%)
The number of Registered Social Workers employed by District Health Boards	552 (23%)	710 (24%)	894 (26%)	1099 (28%)	1048 (26%)
The number of Registered Social Workers employed by the NGO sector	492 (21%)	566 (19%)	695 (20%)	883 (23%)	850 (21%)
The number of Registered Social Workers self-employed or with multiple employers	76 (3%)	142 (5%)	211 (6%)	236 (6%)	196 (5%)
The number of Registered Social Workers employed by recognised social work education providers	48 (2%)	108 (4%)	142 (4%)	157 (4%)	165 (4%)
The number of Registered Social Workers not currently practising	255 (11% of total)	392 (13% of total)	403 (12% of total)	393 (10%)	590 (15% of total)

The above table indicates where Registered Social Workers are employed and the percentage of Registered Social Workers employed in the different sectors.

Currently, over 4,000 social workers are registered in the current voluntary registration environment. The Board will actively work to increase this number in order to ensure that the public are protected when they engage with a Registered Social Worker and that Registered Social Workers are held accountable for their practice.

The registration of all social workers in New Zealand is the Board's goal. The Board will continue to work to achieve this under the current voluntary registration environment and will also continue to advocate for mandatory registration. By protecting the title 'Social Worker' under the Social Workers Registration Act 2003 the public will be better served by ensuring that only those recognised by the SWRB as qualified and competent to use the title can.

PART 2: GOVERNANCE

SWRB Board Members 2012–2013

Toni Hocquard (full term) – Chairperson
Paula Nes (term ended April 2013)
Mary Miles (full term)
Moana Eruera (Term ended April 2013)
Jim Heays (full term)
William Pua (full term)
Toni Millar (full term)
Sara Georgeson (full term)
Turitea Bolstad (appointed April 2013)
Shayne Walker (appointed April 2013)
Michelle Derrett (appointed April 2013)
Dianne Wepa-Belz (appointed April 2013)

Board Meetings

The Board met on:

- 16 and 17 August 2012
- 22 and 23 November 2012
- 22 February 2013
- 9 and 10 May 2013

Board Committees

To facilitate its work, the Board reviewed and maintained a number of sub-committees for the 2012–2013 year. The committees and their membership were:

Finance, Audit and Risk Management

Membership: T. Millar (Chair), T. Bolstad, M. Derrett, J. Heays, D. Wepa and T Hocquard.

Policy Development and Review

Membership: M. Miles (Chair), S. Georgeson, W. Pua, S. Walker and T Hocquard.

Board Member and Staff Insurance

The SWRB has taken insurance cover for Board members, Board Committee members and employees for personal loss caused by wrongful acts in the course of their duties where indemnity is not available from the organisation. The SWRB has also taken insurance cover covering personal accident and travel risk for Board members, Board Committee members and employees where injury or loss occurs whilst on the organisation's business.

PART 3: REPORT FROM THE CHAIRPERSON

REPORT FROM THE CHAIRPERSON

“If you have a better skilled workforce, the quality of what they do can improve and the quantity of ongoing care and support can diminish. For social workers, that is part of the equation: better outcomes plus less cost equals win-win.”¹

The Social Workers Registration Board holds with this statement and believes that improved “quality” results in increased protection for the public. This thinking underpins the setting of the standards for social work regulation in New Zealand and is reflected in the five key output areas of the Board.

1. REGISTRATION – Managing the registration of social workers
2. EDUCATION – Setting standards for social work education and training
3. ACCOUNTABILITY – Considering complaints against Registered Social Workers
4. PROFESSIONAL STANDARDS – Enhancing the professionalism of social workers
5. INFORMATION AND PROMOTION – Promoting the benefits of registration

Feedback from the profession

As part of providing the ‘business case’ evidence for social work registration in New Zealand, the Social Workers Registration Board surveyed various sections of the profession seeking feedback on their experiences of the registration framework during 2012–2013. The sections of the profession who were able to provide anonymous feedback on the registration processes included:

- the employers of social workers registered by the Board during 2012–2013 (n 264)
- social workers registered by the Board during 2012–2013 (n 556)
- social workers who completed the SWRB Competence Assessment during 2012–2013 (n 522)
- social work educators from the 17 providers of SWRB recognised social work qualifications
- overseas qualified social workers applying to have their qualifications assessed during 2012–2013.

The feedback from each of these sectors will be used to further ensure that the Social Workers Registration Board can provide better outcomes at less cost to the profession, employers, and the public.

The full results from all the surveys can be found on the Board website www.swrb.govt.nz but the following feedback from employers of social workers highlights the continued support for registration but the need to focus on less cost to the profession.

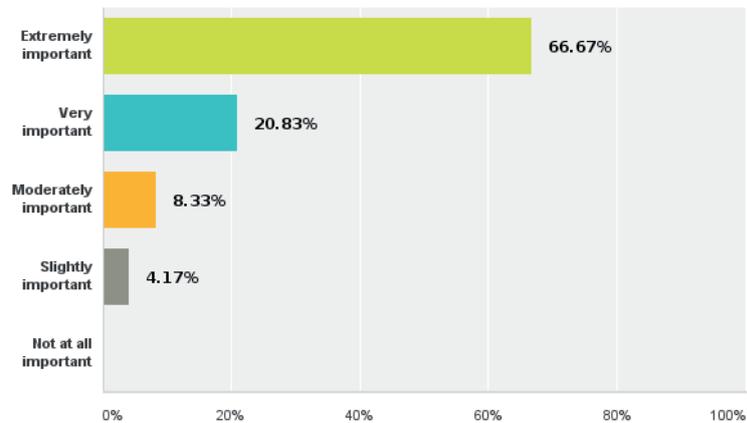
¹ The Business Case for Social Work with Adults, December 2012, The College of Social Work.

A significant percentage of employers recognised the importance of registration for the social workers employed within their organisations (88% ranking registration as extremely or very important).

The remaining 12% of employers thought registration was moderately or slightly important.

No employer surveyed indicated that registration was not important.

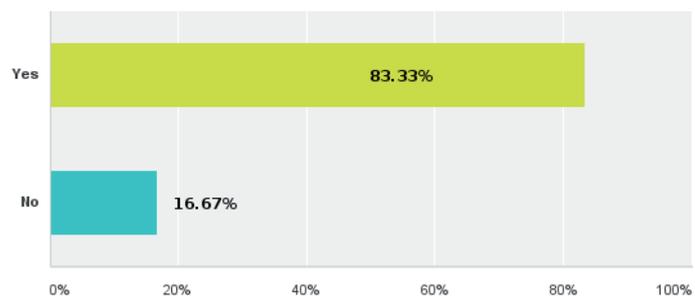
Q8 As an employer of a social worker how important do you think Social Worker Registration is for your organisation?



The majority of employers were of the belief that registration for social workers should be mandatory for all social workers which reflects previous surveys by the SWRB.

Those who indicated that registration should not be mandatory commented that this was due to the current cost of registration, which is evident in the responses to the following two questions.

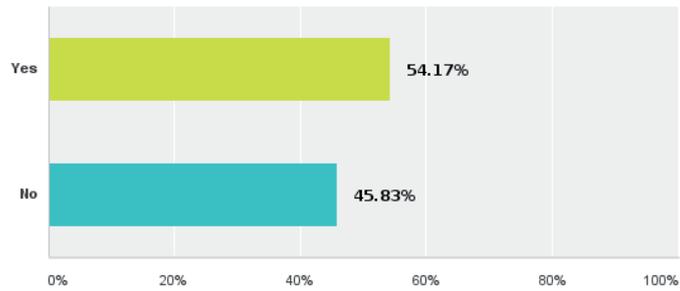
Q9 As an employer of a social worker do you think Social Worker Registration should be made mandatory for all social workers?



Employers were almost even in their responses as to whether costs had an impact on their support for registration.

While there is support for mandatory registration the current cost is obviously an issue and one that the Board has identified as a barrier to mandatory registration in the past. Employers support the concept but not the cost.

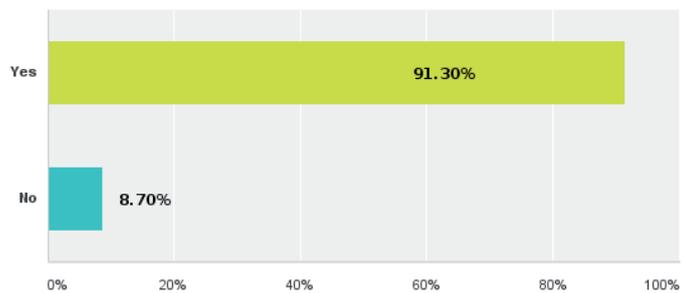
Q10 As an employer of a social worker do you think the cost of registration affects whether or not employers support registration?



The number of employers who previously indicated that they did not support mandatory registration decreases by half if a cost reduction is factored in, which goes to support the Board's view that cost is the major barrier to employers supporting mandatory registration.

The economy of scale provided by mandatory registration would reduce cost and therefore make mandatory registration the preferred option for employers.

Q11 As an employer of a social worker if the cost of registration was reduced would more employers support mandatory registration for social workers?



2012–2013 Update on the Social Workers Registration Board Data

The Social Workers Registration Board continues to grow in terms of the number of social workers applying for and maintaining registration and, overall, the support for registration by the profession remains positive.

The following graphs provide a snapshot of the last five years of data recorded by the Board in relation to registration applications, Annual Practising Certificate renewals, complaints received and the numbers of Registered Social Workers across the various employers of social workers in New Zealand.

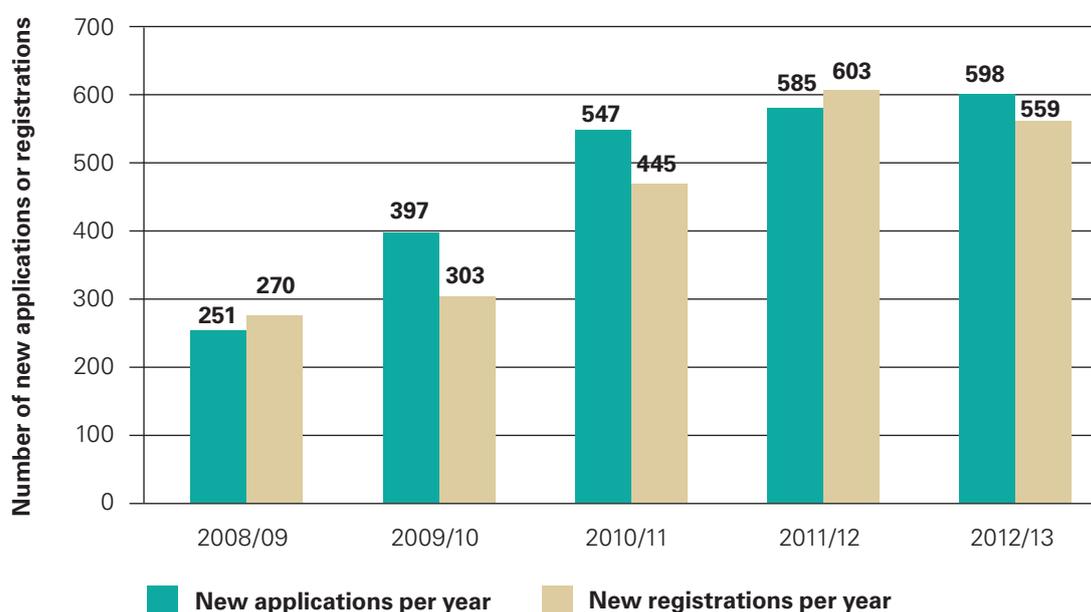
Managing the registration of social workers

The Social Workers Registration Board has continued to work to ensure that the process for registering social workers has been made as accessible and simple as possible while still adhering to the requirement of the Social Workers Registration Act 2003.

Figure 1 below provides information on the numbers of social worker applications for registration each year along with the number of applicants (from the current or previous years) who have been registered.

The number of new applications for registration received by the Board continues to increase. The number of registered applicants (from the current or previous years) who have been registered has decreased slightly. This was expected as the Board had focused on clearing applications from previous years that remained incomplete and expects that in the future new registrations will reflect applications received only within the previous 12 months.

Figure 1: Applications for Registration and New Registrations per year 2007– 2013



Setting Standards for Social Work Education and Training

Since 1 January 2006 the entry level qualification for the purposes of registration has been a degree level social work qualification. The Board still recognises social work diploma qualifications if they were completed or commenced prior to 1 January 2006.

The Social Workers Registration Board currently recognises a range of undergraduate and postgraduate social work qualifications provided by 17 providers. The Board reviews programmes every five years.

At the undergraduate level, the Board recognises:

- five 4-year degrees at universities (three of these may be awarded with honours and two have an honours stream)
- one 4-year degree at a private training establishment
- one 4-year degree at a polytechnic
- eight 3-year degrees in the polytechnic/institute of technology sector
- two 3-year degrees in the wananga sector
- one 4-year combined social work, mental health and addictions double major at a polytechnic.

At the postgraduate level there is currently offered two university professional masters programmes, both of which may be awarded with honours. A further masters professional programme is recognised but no more intakes at this stage are being taken for this programme. Graduate diplomas and postgraduate diplomas are also being taught but with no further intakes.

The qualifications and providers are as set out in Table 1 below.

Table 1: Current SWRB Recognised Social Work Qualifications

INSTITUTION	QUALIFICATION
Bethlehem Tertiary Institute	<ul style="list-style-type: none"> • Bachelor of Social Work
Christchurch Polytechnic Institute of Technology	<ul style="list-style-type: none"> • Bachelor of Social Work
Eastern Institute of Technology	<ul style="list-style-type: none"> • Bachelor of Applied Social Sciences (Social Work major) (May be awarded with an additional major in Counselling or Psychotherapy)
Massey University	<ul style="list-style-type: none"> • Bachelor of Social Work (may be awarded with Honours) • Master of Applied Social Work (may be awarded with Honours)
Manukau Institute of Technology	<ul style="list-style-type: none"> • Bachelor of Applied Social Work
NorthTec	<ul style="list-style-type: none"> • Bachelor of Applied Social Service (Social Work major) • Bachelor of Applied Social Service • (Social Work and Mental Health and Addictions double major)
Open Polytechnic	<ul style="list-style-type: none"> • Bachelor of Social Work
Te Wananga o Aotearoa	<ul style="list-style-type: none"> • Bachelor of Social Work (Biculturalism in Practice)
Te Wananga o Raukawa	<ul style="list-style-type: none"> • Poutuārongo Toiora Whānau
The University of Auckland	<ul style="list-style-type: none"> • Bachelor of Social Work • Bachelor of Social Work (Honours) • Master of Social Work (Professional) (may be awarded with Honours)
Unitec New Zealand	<ul style="list-style-type: none"> • Bachelor of Social Practice (Social Work major) (Community Development major – for graduates completing 2009 onwards)
University of Canterbury	<ul style="list-style-type: none"> • Bachelor of Social Work (may be awarded with Honours) • Master of Social Work (Applied)
University of Otago	<ul style="list-style-type: none"> • Bachelor of Social Work • Bachelor of Social Work (Honours)
University of Otago	<ul style="list-style-type: none"> • Bachelor of Social and Community Work * • Post Graduate Diploma in Social and Community Work* • Master of Social and Community Work#
University of Waikato	<ul style="list-style-type: none"> • Bachelor of Social Work
Waiariki Institute of Technology	<ul style="list-style-type: none"> • Bachelor of Applied Social Science (Social Work)
Whitireia Polytechnic	<ul style="list-style-type: none"> • Bachelor of Social Work
Wintec	<ul style="list-style-type: none"> • Bachelor of Applied Social Science (Social Work major)

* Programme being phased out
No further intake

At the December 2011 Board meeting the Board resolved to review the programme recognition standards, and established a steering committee to ensure a process whereby stakeholders were consulted. The Board also engaged an external project manager to manage the review process and the review of the SWRB programme recognition standards was presented to the Board in November 2012.

As a result of the review the Board has determined that the entry level professional qualification in Social Work will be a 4-year, 480 credit point bachelor's degree with at least 210 credit points at level 7 or above, or a 2-year, 240 credit point master's degree. The move to a 4-year entry level professional qualification in Social Work is being progressively implemented as programmes are reviewed. All programmes will have been reviewed against the 4-year degree standards by 31 December 2016.

Considering complaints against Registered Social Workers

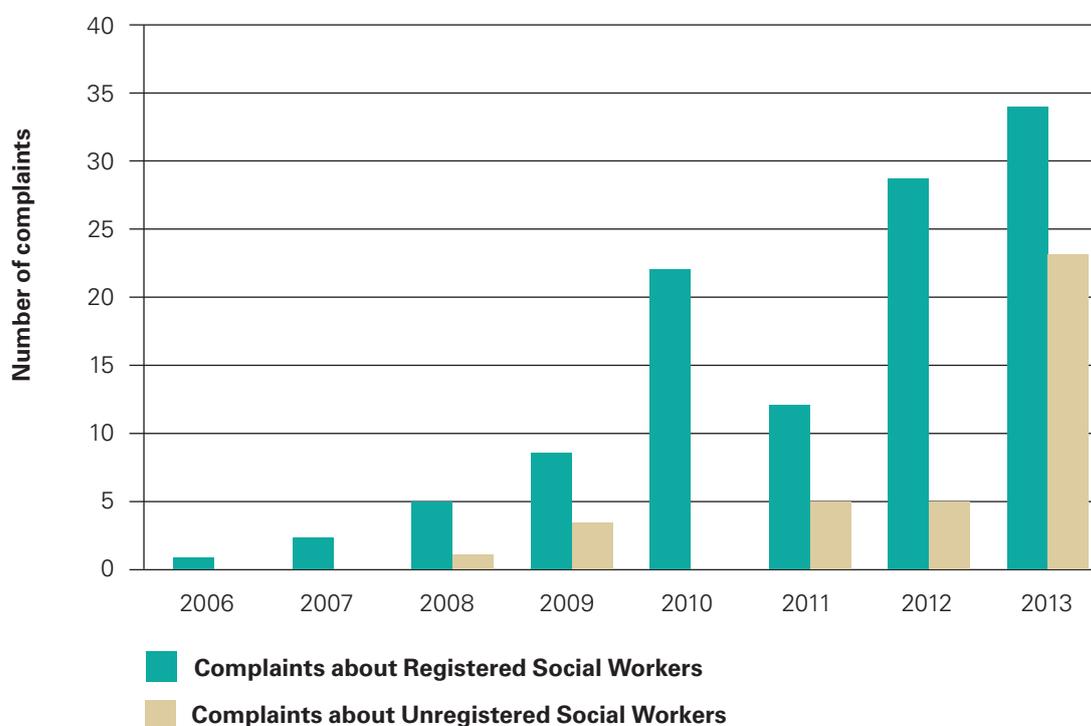
The Social Workers Registration Board Complaints and Disciplinary Tribunal can only accept complaints about the practice of Registered Social Workers where there is an identified breach of the Code of Conduct.

Figure 2 below indicates the number of complaints received in a given year.

A Competence Review is usually undertaken when a complaint does not reach the threshold of an identified breach of the code of conduct but the Chair of the Tribunal considers there to be enough evidence to warrant a referral back to the Social Workers Registration Board with the recommendation that a competence review is undertaken. The social worker's competence to practise is reviewed and any necessary conditions or restrictions on the social worker's practice are imposed.

Under the SWR Act a complaint is referred to the Health and Disability Commission if the complainant is a consumer of a health service.

Figure 2: Complaint Numbers 2006–2013



The Board receives a number of complaints about social workers who are not registered but is unable to act on the complaint.

Identifying the number of these complaints is difficult as often complainants will call to ask if a particular social worker is registered and when told they are not do not continue with the discussion. Alternatively, they find out the social worker is not registered as the social worker does not appear on the public register.

Enhancing the professionalism of social workers

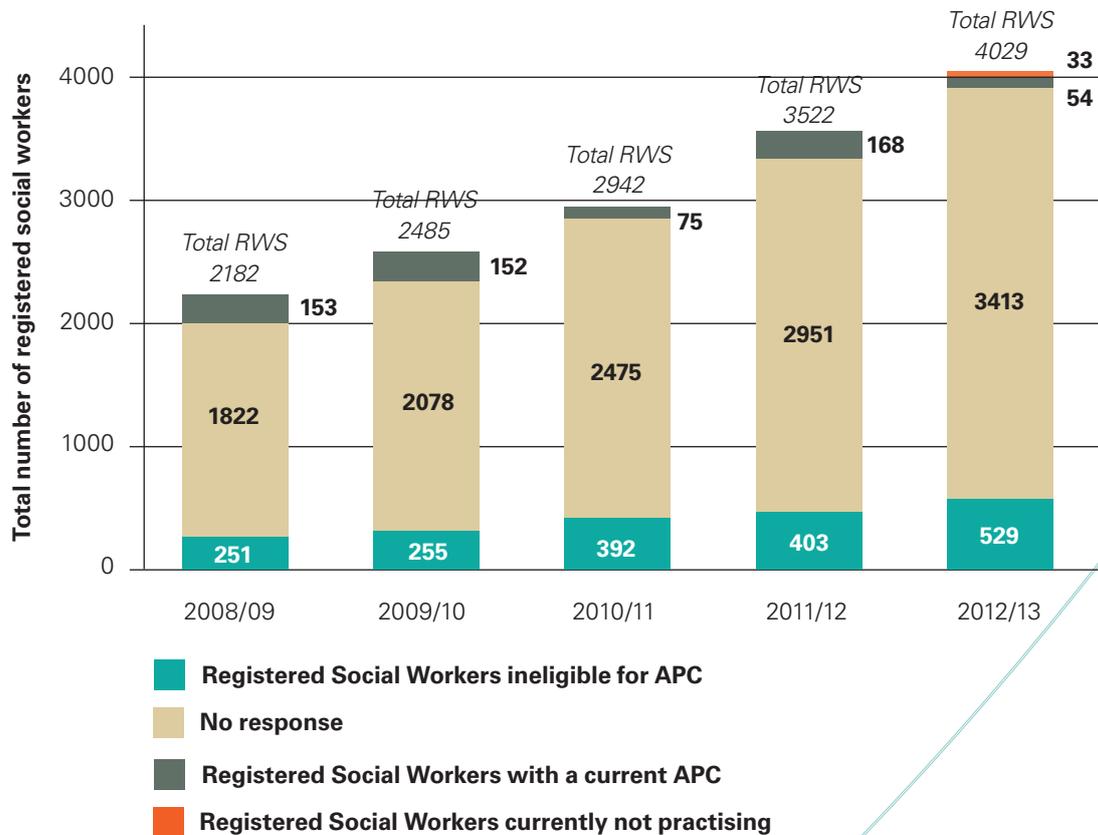
The SWRB maintains a Code of Conduct for social workers and reinforces high standards of practice by requiring Registered Social Workers to meet minimum criteria in order to hold an Annual Practising Certificate (APC).

This minimum criteria involves maintaining a valid competence assessment certificate, being a fit and proper person to practise social work, and engaging in ongoing professional development. While the Board accepts that some social workers will not be practising, the Board requires confirmation of this to ensure that social workers are not practising without valid APCs.

The Board actively follows up on Registered Social Workers who may be practising without a current APC; advising both the practitioner and their employer of their obligations under the SWR Act.

Figure 3: Total Registrations compared with Total APCs issued sets out the number of Registered Social Workers who identify as practising, not practising, or not responding to the renewal notice sent to them. In 2012/2013 the Board also started to identify those not eligible to renew their Annual Practising Certificates as they had let their competence assessment certificates expire.

Figure 3: Total Registrations compared with Total APCs issued 2007–2013



Promoting the benefits of registration.

The benefits of registration are two-fold.

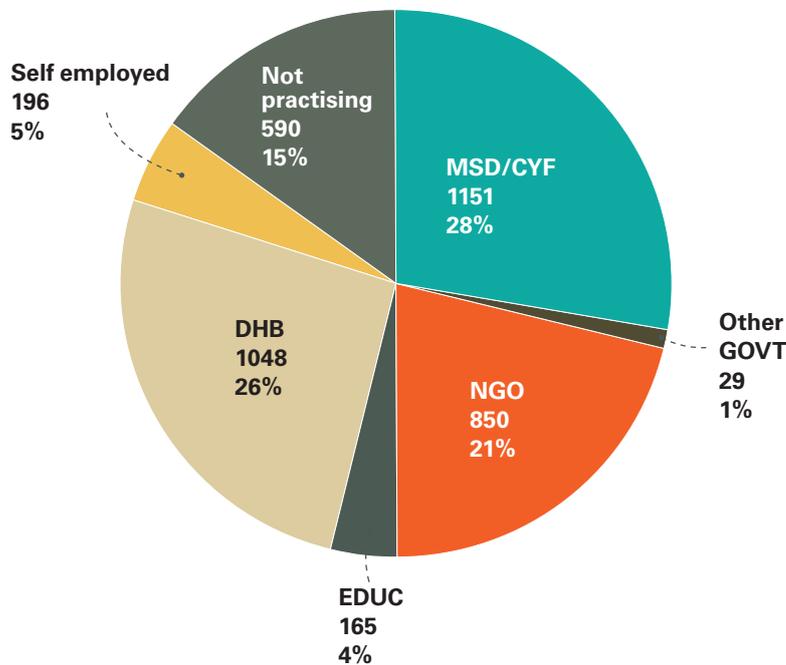
Primarily, registration has the purpose of protecting the safety of the public by providing a mechanism to ensure that social workers are competent to practise and are held accountable for the way in which they practise.

The registration framework also provides a process for social workers to have their competence and fitness to practise social work publicly acknowledged.

Figure 4 below provides the number of Registered Social Workers who have identified that they are employed within different sectors or else not practising.

Child, Youth and Family (30%) and the district health boards (26%) are the largest single employers of Registered Social Workers followed by the non-government sector organisations employing 21%.

Figure 4: Number of Registered Social Workers by Employer 2013.



Equal Employment Opportunities (EEO)

The SWRB is committed to the values of equity and fairness as a good employer and provides policies, programmes and practices that promote these values in supporting a small but busy office.

Toni Hocquard

Chairperson
Social Workers Registration Board

PART 4: FINANCIAL STATEMENTS

STATEMENT OF RESPONSIBILITY FOR THE YEAR ENDED 30 JUNE 2013

In terms of the Crown Entities Act 2004, the Board is responsible for the preparation of the SWRB's financial statements and statement of service performance, and for the judgements made in them.

The Board of the SWRB has the responsibility for establishing, and has established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the SWRB for the year ended 30 June 2013.



Toni Hocquard
Chairperson

31 October 2013



Toni Millar
Chair Finance, Audit and Reporting Committee

31 October 2013

Independent Auditor's Report

To the readers of the Social Workers Registration Board's financial statements and non-financial performance information for the year ended 30 June 2013

The Auditor-General is the auditor of the Social Workers Registration Board (the Registration Board). The Auditor-General has appointed me, Stephen Lucy, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and non-financial performance information of the Registration Board on her behalf.

We have audited:

- the financial statements of the Registration Board on pages 29 to 42, that comprise the statement of financial position as at 30 June 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and notes to the financial statements that include accounting policies and other explanatory information; and
- the non-financial performance information of the Registration Board that comprises the report about impacts on pages 6 to 9 and the statement of service performance on pages 23 to 28 and pages 43 to 44.

Opinion

In our opinion:

- the financial statements of the Registration Board on pages 29 to 42:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect the Registration Board's:
 - financial position as at 30 June 2013; and
 - financial performance and cash flows for the year ended on that date.
- the non-financial performance information of the Registration Board on pages 6 to 9, pages 23 to 28 and pages 43 to 44:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the Registration Board's service performance and outcomes for the year ended 30 June 2013, including for each class of outputs:
 - its service performance compared with forecasts in the statement of forecast service performance at the start of the financial year; and
 - its actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.

Our audit was completed on 31 October 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 Members of the Board 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 and non-financial performance information 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 and non-financial performance information. 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 and non-financial performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and non-financial performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Registration Board's financial statements and non-financial performance information 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 Registration Board'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 Members of the Board;
- the appropriateness of the reported non-financial performance information within the Registration Board's framework for reporting performance;
- the adequacy of all disclosures in the financial statements and non-financial performance information; and
- the overall presentation of the financial statements and non-financial performance information.

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

AUDIT REPORT CONTINUED

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 Members of the Board

The Members of the Board are responsible for preparing financial statements and non-financial performance information that:

- comply with generally accepted accounting practice in New Zealand;
- fairly reflect the Registration Board's financial position, financial performance and cash flows; and
- fairly reflect its service performance and impacts.

The Members of the Board are also responsible for such internal control as is determined necessary to enable the preparation of financial statements and non-financial performance information that are free from material misstatement, whether due to fraud or error. The Members of the Board are also responsible for the publication of the financial statements and non-financial performance information, whether in printed or electronic form.

The Members of the Board's responsibilities arise from the Crown Entities Act 2004 and the Social Workers Registration Act 2003.

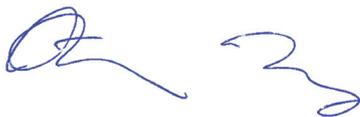
Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and non-financial performance information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

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

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



S B Lucy
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

STATEMENT OF SERVICE PERFORMANCE 2012–2013

Introduction

The SWRB established five output classes.

- 1 **REGISTRATION** – Managing the registration of social workers
- 2 **EDUCATION** – Setting standards for social work education and training
- 3 **ACCOUNTABILITY** – Considering complaints against Registered Social Workers
- 4 **PROFESSIONAL STANDARDS** – Enhancing the professionalism of social workers
- 5 **INFORMATION AND PROMOTION** – Promoting the benefits of registration

OUTPUT 1 REGISTRATION

Managing the registration of social workers

Description: This output involves the operation of a register of social workers and the issuing of practising certificates as provided for in the Social Workers Registration Act 2003. As part of this process the SWRB will process applications for registration and for Annual Practising Certificates. Applications for registration and for Annual Practising Certificates are to be checked to ensure they comply with the criteria in the Act and with the policies of the SWRB.

Key Performance Standards

QUANTITY AND TIMELINESS

Measure	Target	Actual
Non-binding overseas qualification assessments completed	Within 20 working days	100% – Non-binding overseas qualification assessments completed within 20 days
Competence assessments completed	Within 20 working days	100% – All competence assessments completed
New applications for registration completed and presented to the Board for approval	Within 60 working days	100% – All completed applications for registration presented to the Board
Non-binding overseas qualification assessments completed	50	55 – Non-binding overseas qualification assessments completed
Social workers undertaking competence assessments	400	512 – Social workers have undertaken a competence assessments
Social workers applying for registration	500	598 – Social workers applied for registration

QUALITY

Measure	Target	Actual
% of applicants for non-binding overseas qualification assessments reporting satisfaction with process	80%	84%
% of applicants for competence assessment reporting satisfaction with process	80%	85%
% of applicants for registration reporting satisfaction with process	80%	90%
% of employers of applicants for registration reporting satisfaction with process	80%	87%

OUTPUT 2 EDUCATION

Setting Standards for Social Work Education and Training

Description: This output involves the Board setting the standards for social work education and training in New Zealand and ensuring that the delivery of social work qualifications in New Zealand adheres to the Social Workers Registration Board programme recognition standards. The Board will maintain and review the programme recognition standards for recognised social work education providers and reinforce high standards of education in order that social workers achieve minimum competencies prior to engaging in professional practice.

There is an ongoing cost of training members of the Programme Recognition Panels as well as ensuring international moderation through engaging an international social work education member for each panel. The Board secretariat also provides ongoing advice and assistance to recognised tertiary education organisations providing social work programmes as well as assisting potential providers to meet recognition standards. The Board secretariat also undertakes assessments of the overseas social work qualifications of applicants for registration to ensure that they are equivalent to recognised New Zealand social work qualifications.

Key Performance Standards

QUANTITY AND TIMELINESS

Measure	Target	Actual
Programme recognition visits undertaken for programmes due for recognition or re-recognition	100%	100%
A review of the programme recognition standards will be undertaken and the outcomes reported to the Board in order for the standards to be revised	Review process to be completed in November 2012	Review presented to the Board at their meeting on 22 and 23 November 2012
The number of programme recognition visits undertaken for programmes due for recognition or re-recognition	3	1 Programme Recognition visit was undertaken. 2 were postponed for one year on the request of the programme provider in order for them to prepare to meet the new programme recognition standards requiring a 4-year degree.

QUALITY

Measure	Target	Actual
% of social work qualification providers responding positively to the role of the Board and the quality of the programme recognition standards and process	85%	86%
% of participants responding positively to the review of the Programme Recognition Standards and the revised standards	85%	79%
A review of the programme recognition standards will be undertaken and the outcomes reported to the Board and the standards to be revised	Review process to be completed in November 2012	Review presented to the Board at their meeting on 22 and 23 November 2012

OUTPUT 3 ACCOUNTABILITY

Considering complaints against Registered Social Workers

Description: This output involves the Board providing administrative support to an independent Social Workers Complaints and Disciplinary Tribunal which can appoint Complaint Assessment Committees (CACs) to assess complaints against Registered Social Workers.

There will be an ongoing cost of training members of the Social Workers Complaints and Disciplinary Tribunal as well as establishing and providing training for CACs. The Board secretariat will also provide ongoing administrative support to both the Complaints and Disciplinary Tribunal and CACs. The number of complaints and the complexity of complaints expected remain unknown but there is likely to be an increase in complaints over the next few years as public awareness increases. A disciplinary reserve has been established to meet the costs of complaints.

Key Performance Standards

QUANTITY AND TIMELINESS

Measure	Target	Actual
Complaints received are responded to	Within 20 working days	100% – All complaints received were responded to within 20 working days
Complaints received are referred to Complaints and Disciplinary Tribunal	Within 20 working days	100% – All complaints to the Complaints and Disciplinary Tribunal were referred within 20 working days
Registered Social Workers who are the subject of accepted complaints are advised	Within 20 working days	100% – All Registered Social Workers who were the subject of accepted complaints were advised within 20 working days
% Complaints received are responded to	100%	100% – All complaints received were responded to
% Complaints received are referred to Complaints and Disciplinary Tribunal	100%	100% – All complaints received were referred to Complaints and Disciplinary Tribunal
% of Registered Social Workers who are the subject of an accepted complaint are advised	100%	100% – All Registered Social Workers who were the subject of accepted complaints were advised

QUALITY

Measure	Target	Actual
% of positive feedback from the Chair of the Complaints and Disciplinary Tribunal regarding information and support provided by the Board Secretariat	100%	100% satisfied with the quality and timeliness of information and support provided by the Board Secretariat
% of positive feedback from the Complaint Assessment Committees regarding information and support provided by the Board Secretariat	100%	100% satisfied with the full and timely information, responses, and support provided by the Board Secretariat

OUTPUT 4 PROFESSIONAL STANDARDS

Enhancing the professionalism of social workers

Description: The Board will maintain and review the code of conduct for social workers and reinforce high standards of practice in order that Registered Social Workers are accountable for their ongoing professional development. The Board will continue to promote the code of conduct to social workers and their employers as well as the ongoing issuing of practising certificates for all Registered Social Workers.

Key Performance Standards

QUANTITY AND TIMELINESS

Measure	Target	Actual
Competence assessment re-certifications due for renewal completed	85%	127%
Annual Practising Certificate due for renewal received and issued	90%	98%
Continuing Professional Development Audits due are received and assessed	85%	90%
Competence assessments re-certifications issued for existing Registered Social Workers	355 due to be completed	156 undertaken by SWRB 295 undertaken by ANZASW 451 in Total
Annual Practising Certificates issued to new applicants for registration	500	559 Annual Practising Certificates have been issued for new applicants for registration
Annual Practising Certificates renewed for existing Registered Social Workers	3000	3,413 Annual Practising Certificates have been renewed for existing Registered Social Workers
Continuing Professional Development Audits received and assessed	5% random audit of Competence Re-certifications undertaken quarterly	Of the 19 CPD audit requests (5%) made 17 were completed and returned. 1 RSW was suspended and did not complete. 1 RSW was not practising and living overseas

QUALITY

Measure	Target	Actual
Competence assessment re-certification applications are processed in accordance with Sections 38–46 of the Social Workers Registration Act 2003	100%	100%
Annual Practising Certificate applications processed in accordance with Sections 25–37 of the Social Workers Registration Act 2003	100%	100%
Continuing professional development audits are processed in accordance with Board policy	85%	100%

OUTPUT 5 INFORMATION AND PROMOTION

Promoting the benefits of registration

Description: This output recognises that the registration of social workers is voluntary. The Board, therefore, will promote registration and its benefits to social workers and their employers. The Board intends to continue meeting with social workers, their employers and other stakeholders at least once in a year and will also be issuing regular newsletters and updates to the sector.

Key Performance Standards

QUANTITY AND TIMELINESS

Measure	Target	Actual
Promotional material developed and updated for social workers on the benefits of registration	Updated promotional material available	Updated promotional material available for social workers on the benefits of registration through presentation material delivered via 52 meetings with social workers and employers of social workers
Promotional material developed and updated for employers of social workers on the benefits of employing Registered Social Workers	Updated promotional material available	Updated promotional material available updated for employers of social workers on the benefits of employing Registered Social Workers through presentation material delivered via 52 meetings with social workers and employers of social workers
Promotional material developed for the public on registration system for social workers	Public advertising campaign developed	Development of a public advertising campaign put on hold until SWR Act amendments finalised.
Information packs on registration provided to all social workers who request them	100%	100%
Meetings held with social workers and employers of social workers to provide information on the benefits of registration	15	52
Information provided to the public on registration via public advertising campaign	2 public advertising campaigns	Development of a public advertising campaign put on hold until SWR Act amendments finalised.

QUALITY

Measure	Target	Actual
% of applicants for registration reporting satisfaction with the information supplied	80%	90%
% of employers of applicants for registration reporting satisfaction with the information supplied	80%	87%
% of the public surveyed reporting satisfaction with the information supplied	80%	Development of a public advertising campaign put on hold until SWR Act amendments finalised.

STATEMENT OF COMPREHENSIVE INCOME

AS AT 30 JUNE 2013

	NOTE	Actual 2013 \$	Budget 2013 \$	Actual 2012 \$
INCOME				
Application, registration, and practicing fees		1,226,004	1,048,494	1,067,787
Expense recoveries and other income		13,242	53,000	42,785
Depreciation recovered		394	-	-
Interest		31,262	25,000	31,319
Total Income		1,270,902	1,126,494	1,141,891
EXPENDITURE				
Audit fees		21,688	20,000	21,720
Board and Tribunal costs		57,324	51,000	36,465
Course recognition		15,084	50,000	19,258
Depreciation and amortisation		100,261	102,000	77,609
Loss on disposal of property, plant and equipment		1,228	-	874
Personnel costs	1	589,872	561,000	514,324
Promotion and publications		58,510	40,000	46,878
Operating lease costs		94,373	94,140	94,175
SWRB Act review costs		9,029	17,000	24,433
Other expenses		353,082	189,500	238,365
Total Expenditure		1,300,451	1,124,640	1,074,101
Surplus/(Deficit)		\$ (29,549)	\$ (1,854)	\$ (67,790)
Other comprehensive income		-	-	-
Total comprehensive income		\$ (29,549)	\$ (1,854)	\$ (67,790)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	Actual 2013 \$	Budget 2013 \$	Actual 2012 \$
Balance at 1 July		584,223	\$550,754	516,433
Total comprehensive income		(29,549)	1,854	67,790
Balance at 30 June	9	\$ 554,674	\$ 552,608	\$ 584,223

Explanations of major variances against budget are provided in note 20.

The accompanying notes and accounting policies form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

	NOTE	Actual 2013 \$	Budget 2013 \$	Actual 2012 \$
CURRENT ASSETS				
Cash and cash equivalents	2	1,178,062	90,147	934,797
Investments	3	300,000	1,050,000	413,407
Accounts receivable		5,652	16,900	6,622
Pre-payments		19,668	4,000	33,907
Total current assets		1,503,382	1,161,047	1,388,733
NON CURRENT ASSETS				
Property, plant and equipment	4	82,565	72,413	80,254
Intangible assets	5	175,943	172,470	144,300
Total non-current assets		258,508	244,883	224,554
Total assets		1,761,890	1,405,930	1,613,287
Less:				
CURRENT LIABILITIES				
Accounts payable and accruals	6	211,969	151,322	190,136
Employee entitlements	7	33,554	17,000	34,811
Income received in advance	8	961,693	685,000	804,117
Total liabilities		1,207,216	853,322	1,029,064
Net assets		\$ 554,674	\$ 552,608	\$ 584,223
EQUITY				
General funds		554,674	552,608	584,223
Discipline reserve		-	-	-
Total equity	9	\$ 554,674	\$ 552,608	\$ 584,223

The accompanying notes and accounting policies form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

	NOTE	Actual 2013 \$	Budget 2013 \$	Actual 2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Registration fees, levies and APC fees		1,383,580	1,048,494	1,186,783
Other revenue		13,242	53,000	42,785
Interest received		30,737	10,749	30,071
Payments to suppliers		(571,523)	(526,096)	(487,059)
Payments to personnel		(591,129)	(512,200)	(498,315)
Net cash flows from operating activities	10	264,907	73,947	274,265
CASH FLOWS FROM INVESTING ACTIVITIES				
Movement in bank term deposits	11	113,407	50,000	(63,407)
Sale of property, plant and equipment		2,984	-	-
Purchase of property, plant and equipment		(54,268)	(34,000)	(31,767)
Purchase of intangible assets		(83,765)	(90,000)	(71,533)
Net cash flows from investing activities		(21,642)	(74,000)	(166,707)
Net increase/(decrease) in cash or cash equivalents		243,265	(53)	107,558
Cash or cash equivalents at beginning of the year		934,797	90,200	827,239
Cash or cash equivalents at end of the year		\$1,178,062	\$90,147	934,797

The GST (net) component of cash flows from operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.

The accompanying notes and accounting policies form part of these financial statements.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDING 30 JUNE 2013

Reporting entity

The Social Workers Registration Board ("the Board") is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the Board's ultimate parent is the New Zealand Crown.

The Board's primary objective is to provide public services to the New Zealand public, as opposed to that of making a financial return.

Accordingly, the Board has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS").

The financial statements for the Board are for the year ending 30 June 2013 and were approved by the Board on 31 October 2013.

Basis of preparation

Statement of Compliance

The financial statements of the Board have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

The Board has applied the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Reporting Standards (NZ IFRS) and its interpretations as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

The Board qualifies for differential reporting exemptions as it has no public accountability and does not qualify as large under the criteria set out in the Framework for Differential Reporting.

Differential reporting exemptions as available under the Framework for Differential Reporting have been applied in relation to:

NZ IAS 24 Related Party Disclosures
NZ IFRS 7 Financial Instruments: Disclosure

Measurement base

The financial statements have been prepared on a historical cost basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars. The functional currency of the Board is New Zealand dollars.

Changes in accounting policies

There have been no changes in accounting policies during the financial year.

The Minister of Commerce has approved a new Accounting Standards Framework developed by the External Reporting Board (XRB). Under this Framework the Board is classified as a Tier 3 reporting entity and is permitted to apply simple format reporting standard. These standards are being developed by the XRB based on current international Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Board expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Board is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standards Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

SIGNIFICANT ACCOUNTING POLICIES

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Interest

Interest income is recognised using the effective interest method.

Fees

Revenue from Annual Practising Certificate fees are recognised in the year to which the practising certificate relates. Other fee revenue is recognised on receipt.

Leases

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Board are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the surplus/deficit.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held with New Zealand registered banks with original maturities of three months or less.

Accounts receivable

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that the Board will not be able to collect amounts due according to the original terms of the receivable.

Investments

At each balance sheet date the Board assesses whether there is any objective evidence that an investment is impaired.

Bank deposits

Investments in bank deposits are initially measured at fair value. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method.

Property, plant and equipment

Property, plant and equipment asset classes consist of leasehold improvements, furniture and office equipment which are shown at cost less any accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus/deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus/deficit as they are incurred.

Property, plant and equipment

Depreciation

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Depreciation of furniture and office equipment is provided on a diminishing value basis at rates provided under the Income Tax Act 2007.

The depreciation rates of major classes of assets have been estimated as follows:

Leasehold improvements	16.7%
Furniture and office equipment	18–60%
Computer equipment	48%

Intangible assets

Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the Board are recognised as an intangible asset. Direct costs include the software development.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs of maintaining the Board's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus/deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	5 years	20%
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Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Board would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired, and the carrying amount is written down to the recoverable amount and recognised in other comprehensive income.

Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee entitlements

Short-term employee entitlements

Employee entitlements that the Board expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

The Board recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Good and Service Tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

The Board is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

	2013	2012
1 PERSONNEL COSTS	\$	\$
Salaries, wages, Board and Committee and Tribunal remuneration	579,188	498,315
Defined contribution plan employer contribution	11,941	6,619
Increase/(decrease) in employee entitlements	(1,257)	9,390
	<u>589,872</u>	<u>514,324</u>

2 CASH AND CASH EQUIVALENTS

Cash on hand and at bank	375,333	160,427
Cash equivalents – bank call deposits	802,729	774,370
<i>The carrying value of short-term deposits with maturity dates of 3 months or less approximates their fair value.</i>	<u>1,178,062</u>	<u>934,797</u>

3. INVESTMENTS

Current investments are represented by:

Bank term deposit	300,000	413,407
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The carrying value of short-term deposits with maturity dates of 12 months or less approximates their fair value. The weighted average effective interest rate for term deposits in 2013 was 3.82%. (2012 4.4%).

4 PROPERTY, PLANT AND EQUIPMENT

	Furniture and office equipment	Computer equipment	Leasehold alterations	Total
COST	\$	\$	\$	\$
Balance at 1 July 2011	111,937	98,934	62,162	273,033
Additions	3,887	5,600	22,280	31,767
Disposals	(5,392)	(32,046)	-	(37,438)
Balance at 30 June 2012	110,432	72,488	84,442	267,362
Balance at 1 July 2012	110,432	72,488	84,442	267,362
Additions	24,529	26,380	3,360	54,269
Disposals	(7,213)	-	-	(7,213)
Balance at 30 June 2013	127,748	98,868	87,802	314,418
ACCUMULATED DEPRECIATION				
Balance at 1 July 2011	78,615	75,315	32,769	186,699
Depreciation expense	7,673	12,793	16,506	36,972
Elimination on disposal	(5,145)	(31,419)	-	(36,564)
Balance at 30 June 2012	81,144	56,689	49,275	187,108
Balance at 1 July 2012	81,144	56,689	49,275	187,108
Depreciation expense	11,818	15,708	20,613	48,139
Elimination on disposal	(3,394)	-	-	(3,394)
Balance at 30 June 2013	89,568	72,397	69,888	231,853

4 PROPERTY, PLANT AND EQUIPMENT <i>CONTINUED</i>	Furniture and office equipment	Computer equipment	Leasehold alterations	Total
CARRYING AMOUNT	\$	\$	\$	\$
At 1 July 2011	33,322	23,619	29,393	86,334
At 30 June and 1 July 2012	29,289	15,798	35,167	80,254
At 30 June 2013	38,180	26,471	17,914	82,565

The total amount of property, plant, and equipment in the course of construction is \$nil (2012 \$nil)

5 INTANGIBLE ASSETS	Acquired software	Total
COSTS	\$	\$
Balance at 1 July 2011	214,797	214,797
Additions	71,533	71,533
Disposals	-	-
Balance at 30 June 2012	286,330	286,330
Balance at 1 July 2012	286,330	286,330
Additions	83,765	83,765
Disposals	-	-
Balance at 30 June 2013 *	370,095	370,095
<i>*Includes work in progress (WIP) of \$40,500 (2012 \$nil)</i>		
ACCUMULATED AMORTISATION		
Balance at 1 July 2011	101,393	101,393
Amortisation expense	40,637	40,637
Elimination on disposal	-	-
Balance at 30 June 2012	142,030	142,030
Balance at 1 July 2012	142,030	142,030
Amortisation expense	52,122	52,122
Elimination on disposal	-	-
Balance at 30 June 2013	194,152	194,152
CARRYING AMOUNT		
At 1 July 2011	113,405	113,405
At 30 June and 1 July 2012	144,300	144,300
At 30 June 2013	175,943	175,943

There are no restrictions over the title of the Board's intangible assets, nor are any intangible assets pledged as security for liabilities.

6 ACCOUNTS PAYABLE AND ACCRUALS	2013 \$	2012 \$
Creditors	184,458	158,408
Accrued expenses	27,511	31,727
	211,969	190,136

Creditors are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value approximates their fair value.

7 EMPLOYEE ENTITLEMENTS	2013 \$	2012 \$
Accrued salaries	9,263	12,000
Annual leave	24,291	22,811
	33,554	34,811

8 FEES RECEIVED IN ADVANCE		
Annual Practicing Certificate	897,693	740,117
Prepaid Application fees	64,000	64,000
	961,693	804,117
<i>The Board's Annual Practicing Certificate year commences on 1 July. Fees received prior to balance date for the subsequent year are recognised as income in that year.</i>		

9 EQUITY		
General funds		
Balance at 1 July	584,223	472,470
Surplus/(deficit)	(29,549)	111,753
Balance at 30 June	554,674	584,223
Discipline reserve		
Balance at 1 July	-	43,964
Surplus/(deficit)	-	(43,964)
Balance at 30 June	-	-
	554,674	584,223

10 RECONCILIATION OF CASH FLOW WITH REPORTED OPERATING SURPLUS		
Reported (deficit)/surplus	(29,549)	67,790
Add/(Deduct) non-cash items:		
Depreciation and amortisation	100,261	77,609
Loss on disposal	1,228	874
Depreciation recovered	(394)	-
	71,546	146,273
Movements in working capital items		
(Increase)/decrease in receivables and prepayments	15,209	2,307
Increase/(decrease) in accounts payable	21,833	(2,701)
Increase/(decrease) in employee entitlements	(1,257)	9,390
Increase/(decrease) in income received in advance	157,576	118,996
Net cash flows from operating activities	264,907	274,265

11 DISCLOSURE OF CASH FLOWS

The cash flows relating to the Board's investing activities have been netted off in the Statement of Cash Flows because the amounts involved are held in short deposits which are rolled over frequently during the year.

12 CAPITAL COMMITMENTS AND OPERATING LEASES

2013
\$

2012
\$

Capital commitments

The Board has made no commitments for capital expenditure at year end. (2012 Nil)

Operating leases as lessee

The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows:

Not later than one year	78,644	94,373
Later than one year and not later than five years	-	62,916
Later than five years	-	-
	78,644	157,289

The Board leases one floor of Perpetual House, Customhouse Quay, Wellington for a term of 6 years commencing 1 March 2008 and expiring on 28 February 2014. There is a right of renewal for two further periods of 3 years with a final expiry date of 29 February 2020.

There are no restrictions placed on the Board by the leasing arrangement.

13 CONTINGENCIES

Contingent liabilities

The Board has no contingent liabilities at year end. (2012 Nil)

Contingent assets

The Board has no contingent assets at year end. (2012 Nil)

14 RELATED PARTY TRANSACTIONS

The Board is a wholly owned entity of the Crown. The government significantly influences the role of the Board but is not a major source of revenue. All related party transactions have been entered into on an arm's length basis:

Collectively, but not individually, significant transactions with government-related entities.

In conducting its activities, the Board is required to pay various taxes and levies (such as GST, FBT, PAYE, and ACC levies) to the Crown and entities related to the Crown. The payment of these taxes and levies, other than income tax, is based on the standard terms and conditions that apply to all tax and levy payers. The Board is exempt from paying income tax.

The Board also purchases goods and services from entities controlled, significantly influenced, or jointly controlled by the Crown. Purchases from these government-related entities for the year ended 30 June 2013 totalled \$92,591 (2012 \$91,117). These purchases included the purchase of air travel from Air New Zealand, and postal services from New Zealand Post.

No provision has been required, nor any expense recognised for impairment of receivables from related parties (2012 Nil)

15 BOARD MEMBER REMUNERATION	2013	2012
	\$	\$
The total value of remuneration paid or payable to each Board member during the year was:		
Bolstad, Turitea	1,875	-
Chiu, Kitty	-	1,155
Derrett, Michelle	1,875	-
Eruera, Moana	750	2,813
Georgeson, Sara	4,403	2,280
Heays, James	3,000	2,970
Hocquard, Toni (Board Chair)	14,233	10,743
Millar, Toni	4,500	2,175
Miles, Mary	5,978	11,453
Nes, Paula	4,553	2,918
Pua, William	2,438	938
Walker, Shane	2,805	-
Wepa, Dianne	2,063	-
	48,473	37,445

There have been no payments made to committee members appointed by the Board who are not Board members during the financial year. The Board has effected Directors and Officers Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

16 EMPLOYEE REMUNERATION	Number of Employees	
	2013	2012
Remuneration falling in the following bands \$140,000 and \$149,999	1	1

During the year ended 30 June 2013 no employee received compensation and other benefits in relation to cessation (2012 Nil). No Board member received compensation or other benefits in relation to cessation (2012 Nil).

17 EVENTS AFTER BALANCE DATE

There were no significant events after the balance sheet date.

18 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES	2013	2012
	\$	\$
The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:		
Loans and receivables		
Cash and cash equivalents	1,178,062	934,797
Investments	300,000	413,407
Accounts receivable and prepayments	25,320	40,529
	1,503,382	1,388,733
Financial liabilities measured at amortised cost		
Creditors	184,458	158,408

19 CAPITAL MANAGEMENT

The Board's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

The Board is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities, and the use of derivatives.

The Board manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure the Board effectively achieves its objectives and purpose, whilst remaining a going concern.

20 EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET

Statement of comprehensive income

Application, registration, and practicing fees

Applications for registration and competence assessment significantly exceeded that budgeted. Apart from programme accreditation other revenue had no significant variation from budget.

Expense recoveries and other income

Programme accreditation undertaken fell short of budget estimate.

Interest

Funds not required to meet current operating costs were greater than anticipated and were invested in short-term bank deposits until required.

Board and Tribunal costs

Higher Board activity and disciplinary Tribunal matters than budgeted.

Course recognition

Less course accreditation work undertaken.

Personnel costs

Bringing secretariat staff numbers up to desired level.

Promotion and publications

Higher than expected costs for research and promotional publications.

SWRB Act review costs

The bulk of expenditure was incurred in the 2011–12 financial year.

Other expenses

Higher than budgeted costs in relation to recruiting staff and managing and supporting a significant increase in applications for registration through printing, stationary and IT development.

Statement of financial position

Cash, cash equivalents and investments

Fees receipts for 2013–14 year prior to 30 June not budgeted to be received until after 30 June.

Property, plant and equipment

Minor capital equipment purchases required to maintain and enhance existing facilities.

Accounts payable and accruals

GST content of fees received in advance and large trade creditors unpaid at balance date.

Fees in advance

Fees received prior to year end relating to the subsequent year were above budgeted levels as a result of major employers choosing to pay for renewal of Annual Practising Certificates prior to 30 June 2013.

STATEMENT OF OBJECTIVES AND SERVICE PERFORMANCE (FINANCIAL)

FOR THE YEAR ENDED 30 JUNE 2013

OUTPUT 1 REGISTRATION

Managing the registration of social workers

Resources employed		Actual 2013 \$	Budget 2013 \$
Revenue	Third party revenue	295,288	228,544
	Other (including interest)	3,256	3,100
	Total revenue	298,544	231,644
Expenditure	Total expenditure	253,789	214,128
	Net surplus(deficit)	\$ 44,755	\$ 17,516

OUTPUT 2 EDUCATION

Setting standards for social work education and training

Resources employed		Actual 2013 \$	Budget 2013 \$
Revenue	Third party revenue	13,089	50,000
	Other (including interest)	1,693	1,850
	Total revenue	14,782	51,850
Expenditure	Total expenditure	244,527	247,028
	Net surplus(deficit)	\$ (229,745)	\$ (195,178)

OUTPUT 3 ACCOUNTABILITY

Considering complaints against Registered Social Workers

Resources employed		Actual 2013 \$	Budget 2013 \$
Revenue	Third party revenue	-	-
	Other (including interest)	80	600
	Total revenue	80	600
Expenditure	Total expenditure	268,505	218,028
	Net surplus(deficit)	\$ (268,425)	\$ (217,428)

OUTPUT 4 PROFESSIONAL STANDARDS

Enhancing the professionalism of social workers

Resources employed		Actual 2013	Budget 2013
Revenue	Third party revenue	-	-
	Other (including interest)	80	600
	Total revenue	80	600
Expenditure	Total expenditure	287,955	208,428
	Net surplus(deficit)	\$ (287,875)	\$ (207,828)

OUTPUT 5 INFORMATION AND PROMOTION

Promoting the benefits of registration

Resources employed		Actual 2013	Budget 2013
Revenue	Third party revenue	930,716	819,950
	Other (including interest)	26,700	21,850
	Total revenue	957,416	841,800
Expenditure	Total expenditure	245,675	237,028
	Net surplus(deficit)	\$ 711,741	\$ 604,772



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