



# **Annual Report**

2020



# Table of Contents

---

<b>Governance</b>	<b>2</b>
Functions of the Osteopathic Council	2
Report from the Chair	3
Board Members	5
<b>Operations</b>	<b>6</b>
Report from the Registrar	6
Secretariat	7
Setting and Maintaining Standards	7
Managing the Register of Osteopaths	9
Assuring Fitness to Practise	11
Health Practitioners Disciplinary Tribunal	12
<b>Financial Statements</b>	<b>13</b>

---

We are pleased to present this report for the year ending 31 March 2020 to the Minister of Health. The report is presented in accordance with section 134(1) of the Health Practitioners Competence Assurance Act 2003.

# Governance

---

## Functions of the Osteopathic Council

The Council is an appointed body corporate in accordance with the Health Practitioners Competence Assurance Act 2003 (the Act). As an Authority under the Act the Council is responsible for the registration, competence and fitness to practise of osteopaths.

The functions of the Council are listed in section 118 of the Act.

- a. To prescribe the qualifications required for scopes of practice within the profession, and, for that purpose, to accredit and monitor education institutions and degrees, courses of studies, or programmes
- b. To authorise the registration of health practitioners under the Act, and to maintain registers
- c. To consider applications for annual practising certificates
- d. To review and promote the competence of health practitioners
- e. To recognise, accredit, and set programmes to ensure the ongoing competence of health practitioners
- f. To receive information from any person about the practice, conduct, or competence of health practitioners and, if it is appropriate to do so, act on that information
- g. To notify employers, the Accident Compensation Corporation, the Director-General of Health, and the Health and Disability Commissioner that the practice of a health practitioner may pose a risk of harm to the public
- h. To consider the cases of health practitioners who may be unable to perform the function required for the practice of the profession
- i. To set standards of clinical competence, cultural competence (including competencies that will enable effective and respectful interaction with Māori), and ethical conduct to be observed by health practitioners of the profession
- j. To liaise with other authorities appointed under the Act about matters of common interest
- j.a. To promote and facilitate inter-disciplinary collaboration and co-operation in the delivery of health services
- k. To promote education and training in the profession
- l. To promote public awareness of the responsibilities of the authority
- m. To exercise and perform any other functions, powers, and duties that are conferred or imposed on it by or under the Act or any other enactment.

## Report from the Chair

During the past year, the Osteopathic Council of New Zealand (OCNZ) has continued to focus on consolidating the work achieved by projects instigated in previous years, however the initial response to the COVID-19 pandemic towards the end of this financial year has tested our commitment to being an agile regulator.

Despite this, in addition to carrying out our basic functions under the Act, several projects continued to see good progress throughout 2019-2020. As a small regulatory authority, the move to a shared secretariat with the Nursing Council of New Zealand (NCNZ) in 2017 provided access to the experience and resources of New Zealand's largest health regulator. This relationship has developed well, and the OCNZ has received excellent support. There are some specific areas that have seen significant development over this year.

### Code of Conduct

The OCNZ has continued work on a Code of Conduct for osteopaths, with initial consultation with the profession occurring at regional conferences held in Auckland, Wellington and Christchurch. Although the OCNZ has previously published a Code of Ethics for osteopaths, the proposed Code of Conduct will provide guidance towards the practical application of osteopathic professional ethics.

The Council has now completed consultation around the final draft of the Code of Conduct, and we are currently in the process of publishing this document.

### Continuing Professional Development

The osteopathic profession is currently undertaking mandatory professional development within the field of Child and Adolescent Healthcare. The Council has used this opportunity to further consider the requirements of an efficient and effective continuing professional development (CPD) plan, including greater involvement of each professional in recognising their unique development needs.

This year, the Council has begun developing the high-level structure of a revamped CPD scheme, in consultation with the profession and other stakeholders. Looking forward, the Council will then develop the operational structure and processes to guide the profession in participating in this new scheme. Developed using both examples from other regulatory authorities (both within New Zealand and internationally) and current literature, this scheme aims to ensure that a reflective learning process is a core focus of the scheme, rather than simple completion of professional development courses and activities.

### Live Streamed Regional Conference

As part of our work to engage with the osteopathic profession, the OCNZ trialed a live-streamed conference in place of our usual regional conference series, while enabling face-to-face attendance in Wellington for practitioners who preferred to attend in person.

This conference showed significantly increased engagement from the profession, including participation in interactive activities through various electronic media. The success of this conference showed that this will be a valuable forum for future conferences, especially given the current increase in remote working seen throughout the country.

## **Competent Authority Pathway Programme (CAPP)**

The CAPP process has been successfully used for many years to enable overseas osteopaths holding recognised qualifications to safely transition to independent work in a New Zealand context. This process involves partnering with a preceptor to enable the registrant to demonstrate that their practice meets the OCNZ Capabilities of Osteopathic Practice, while being able to continue learning and practicing in a workplace environment.

To facilitate this process, the Council has undertaken a review of the procedures and documentation underpinning CAPP to ensure it conforms to current best practice and is fair and equitable to all parties. The review of this process is still ongoing, and Council will consider these results in 2020.

## **COVID-19**

Although the initial phase of the pandemic response only occurred in the final month of the 2019-2020 period, it has still had a significant effect on Council activity, much as for the rest of the country. This has required the Council to act quickly, while still making sound decisions to ensure public safety despite the chaotic environment.

The pandemic response has created changes in the way the profession works, such as the consideration of telehealth, as well as leading to greater communication and collaboration between stakeholders, such as Osteopaths New Zealand (the professional body), the Ministry of Health, ACC and other Responsible Authorities. Although we appreciate the support from all those we have worked with over this time, we would especially like to thank the Physiotherapy Board of New Zealand for their assistance in developing sound guidance for practitioners.

As in previous years, we would also like to thank the NCNZ for their continued work in supporting the work of the Council through a highly collaborative approach.

Looking towards the future, the stability the Council has developed has served us well in responding to the pandemic. It is likely that there will be continued challenges and changes to the osteopathic profession due to the pandemic, however these may result in better practices for both the regulator and profession.



**Tim Friedlander**

Chairperson

## Board Members

Members are appointed to the Council by the Minister of Health for an initial term of three years and can be reappointed for a subsequent three-year term/s. After 3, three-year terms a member must step down. The following were board members as at 31 March 2020:

Name	Profession	Region	Date of Original Appointment	Term	Term Ends
<b>Tim Friedlander</b>	Osteopath Chair	Auckland	24 March 2012	3	22 July 2021
<b>Emma Fairs</b>	Osteopath	Christchurch	10 September 2010	3	September 2019 (Awaiting confirmation of end of term)
<b>Lara Sanders</b>	Osteopath Deputy Chair	Wellington	July 2015	2	3 July 2022
<b>Lawrence Cartmell</b>	Osteopath	Wellington	12 May 2014	2	22 May 2020
<b>Janet Miller</b>	Layperson	Wellington	2 August 2017	1	2 August 2020
<b>Melinda Sweeney</b>	Osteopath	Christchurch	27 April 2017	1	27 April 2020
<b>Richard Aston</b>	Layperson	Northland	3 July 2019	1	3 July 2022
<b>Larissa Morgan</b>	Osteopath	New Plymouth	3 July 2019	1	3 July 2022

# Operations

## Report from the Registrar

### Welcome to this report of the work completed and ongoing during this financial year.

The Council has had a very busy and productive year and has participated in regulatory projects and meetings to support its functions. The Chair has reported on the strategic projects in progress or completed.

The Council staff submitted on proposed changes to the Secondary Legislation Bill which proposed that standards set by the Council under section 118(i) of the Health Practitioners Competence Assurance Act 2003 would be secondary legislation. The Council did not support the proposed changes and appeared before the Regulations Review Committee with the Medical Council to submit on the proposed changes.

The Council staff were part of a working group consulted on by the Ministry of Health to set the terms of reference for performance reviews of all regulatory authorities that will take place by April 2022. The Terms of Reference set by the Ministry were sent out for wider consultation.

In late 2018 the Council completed a costing exercise to ensure that the correct fees were gazetted for the services provided by the Council. This also entailed looking at the annual practising certificate fees for different scopes of practice.

Following consultation, the Council reduced the disciplinary levy from \$250 to \$20 from 1 April 2019 but the overall fees remained the same to fund projects to support the regulation of osteopathy.

From 1 April 2020 the APC fee was reduced by \$100.

The Council also required the same APC to be paid by all osteopaths including those in extended or vocational scopes of practice. The fee is now apportioned across the year. The special purpose scope of practice and the inactive fee were removed.

A fee for reinstatement following cancellation after a disciplinary hearing was introduced to reflect the actual cost of this process.

The Covid-19 pandemic had an enormous effect on the Osteopathic profession and changed the way osteopaths practise. It also changed the way the Council staff work but fortunately the Nursing Council had already made changes to allow staff to work remotely and we were able to continue with most of the Council work.



**Clare Prendergast**  
Registrar



## Secretariat

Registrar	<b>Clare Prendergast</b>
Deputy Registrar	<b>Lindsay Hiener</b>
Professional Advisor	<b>Sandi Gale</b>
Coordinator	<b>Shona Jefferies</b>

## Setting and Maintaining Standards

The Council is responsible for prescribing the qualifications for registration in the Osteopath Scope of Practice so that registered practitioners are prepared and competent to protect the health and safety of the public.

All applicants must:

1. hold a Master of Osteopathy awarded by Unitec New Zealand or a Bachelor of Musculoskeletal Health and a Postgraduate Diploma in Osteopathy, from Ara, Institute of Canterbury; or
2. hold a Master of Osteopathy awarded by Royal Melbourne Institute of Technology or Victoria University, Melbourne or Southern Cross University, NSW, provided those qualifications remain accredited by the New Zealand Osteopathic Council; or
3. pass the overseas assessment process endorsed by the Council; or
4. be registered under the Competent Authority Pathway endorsed by the Council, which means that an applicant is registered with the General Osteopathic Council of the United Kingdom and holds a qualification from an approved institution.

## **The Osteopath Scope of Practice**

Osteopaths are primary healthcare practitioners. Central to the competent practice of osteopathy is an understanding of the roles of the primary care team and referral routes within the primary care team and to hospital-based services.

Osteopathy is a person-centred form of manual medicine informed by osteopathic principles. Osteopathic medicine is not confined to historical osteopathic knowledge; other osteopathic philosophies and concepts inform the interpretation and application of interdisciplinary knowledge and the basic medical sciences. Osteopathic medicine is an evolving field of knowledge and incorporates new concepts as understanding of health and disease progress.

Osteopaths treat people and conceptualise health and disease within a broad holistic bio-psycho-social and environmental context. Osteopaths have an interest in conditions of the neuro-musculoskeletal system and the management of pain. Osteopaths seek to prevent disease and promote health by empowering patients through sharing knowledge of lifestyle choices that improve health outcomes. Osteopathic practice may be situated within a continuum of healthcare and wellness, with osteopaths applying evidence-based approaches to the management of named pathologies and conditions through to promoting wellbeing through supportive treatment.

The competent practice of osteopathy clearly requires broad diagnostic competencies and a differential diagnosis is required to determine if a structural diagnosis and the use of Osteopathic Manual Treatment (OMT) is appropriate. Although osteopathic practice is often defined by OMT, the practice of osteopathy is not limited to a structural diagnosis and OMT. While there may well be a somatic component to disease, OMT may not be a suitable or principal modality in every presentation.

Osteopaths work across the lifespan and may treat an individual from birth to old age or deliver services in group settings. Professional knowledge may be applied in a range of settings not limited to clinical practice, such as health promotion, education and research, health policy and healthcare management.

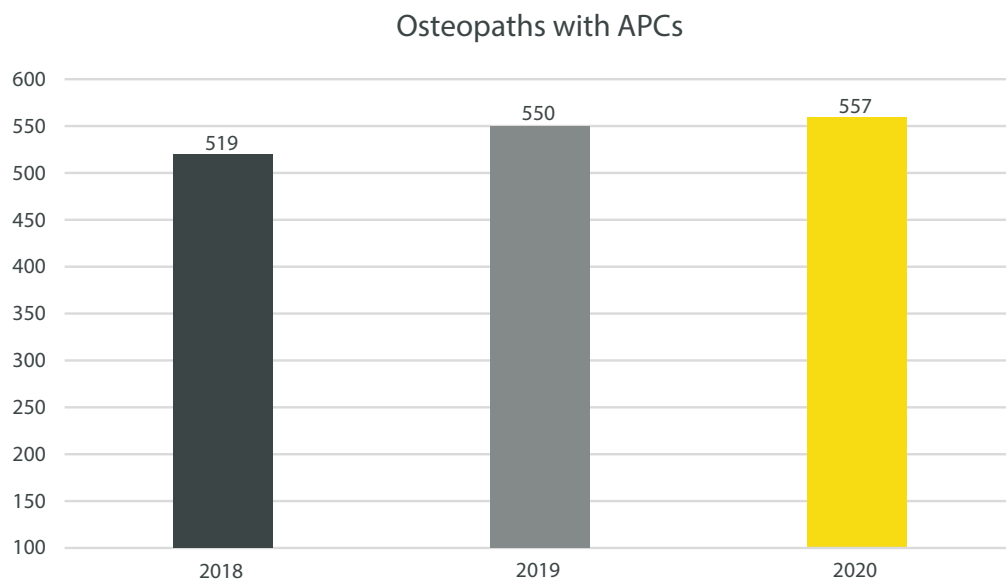
The Osteopathic Council also has several additional vocational scopes of practice for practitioners which may be practised along with the general scope.

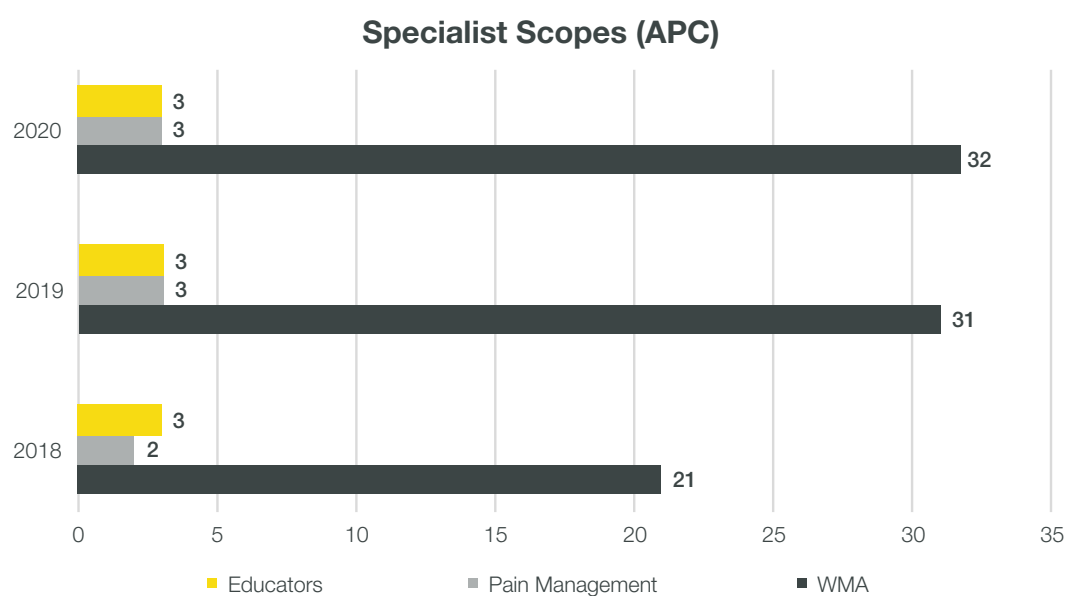
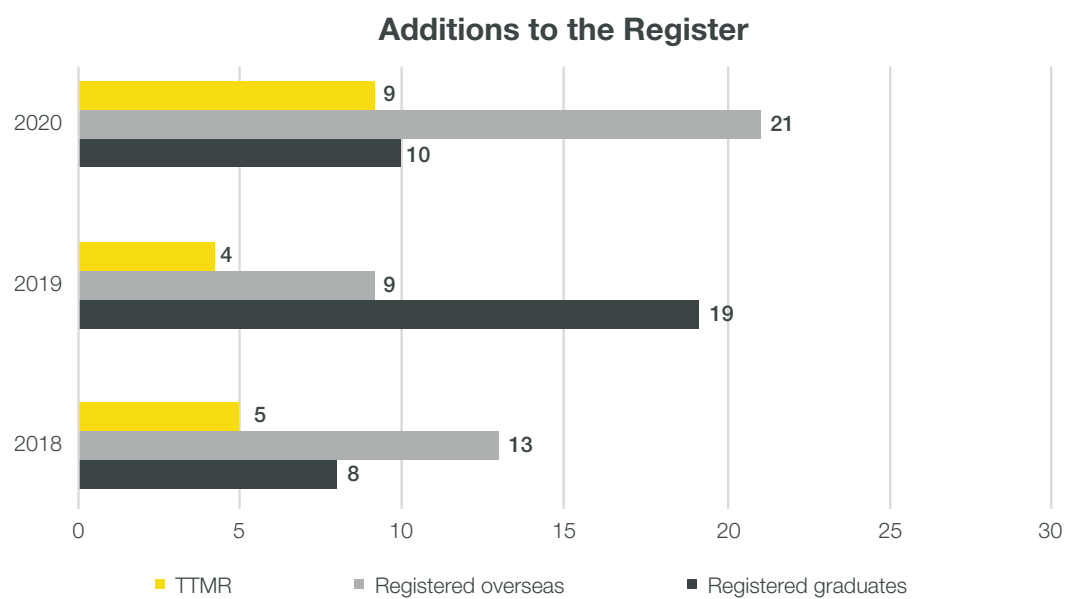
They are:

- » Gerontology
- » Pain Management
- » Special Purpose
- » Trainee Osteopath
- » Educator
- » Child and Adolescent Health
- » Western Medical Acupuncture and Related Needling Techniques.

## Managing the Register of Osteopaths

The Council registers osteopaths who meet the required standards, maintains the New Zealand Register of Osteopaths and issues Annual Practising Certificates (APCs). Every osteopath working in New Zealand must be registered and hold a current APC. This informs the public that the osteopath is competent and fit to practise.





## Assuring Fitness to Practise

### Notifications and complaints

A system to receive and manage notifications about the competence or health of an osteopath or complaints about conduct enables the Council to ensure the public that registered osteopaths are competent and fit to practise.

### Health

Osteopaths who have a health condition that may mean they are unable to perform the functions required for the practice of osteopaths are referred to a health committee following a health assessment.

### Competence

Osteopaths who have a notification made about their competence to practice are invited to provide a practice profile and an opportunity to respond to the notification. They may be referred for a competence review.

### Conduct

Osteopaths may be referred to a professional conduct committee appointed by Council for complaints or court convictions. The Council may make interim orders against osteopaths pending an investigation or criminal proceedings and has included conditions for two osteopaths under this provision in this year.

Type	Number
Competence notifications	5
Conduct complaints	1
HDC opinions	1
Health notifications	0
Criminal proceedings	2
Tribunal decisions	0

## Health Practitioners Disciplinary Tribunal

The functions of the Tribunal are:

- » To hear and determine charges brought under section 91 of the HPCA Act
- » To exercise and perform any other functions, powers, and duties that are conferred or imposed upon it by or under the HPCA Act or any other Act.

There were no cases of professional misconduct reported to the Tribunal in the 2019-2020 year.

### **Osteopathic members of the HPDT as at 31 March 2020:**

<b>Osteopath Panelist</b>	Julia Griffiths
<b>Osteopath Panelist</b>	Michell Moynes
<b>Osteopath Panelist</b>	Tim Soar
<b>Osteopath Panelist</b>	Victoria Tate
<b>Osteopath Panelist</b>	Ben Evans

# Financial Statements

**For the year ended 31 March 2020**

<b>Non-Financial Information</b>	<b>14</b>
Entity Information	14
<b>Financial Information</b>	<b>15</b>
Statement of Financial Performance	15
Statement of Movement in Equity	15
Statement of Financial Position	16
Statement of Cash Flows	17
Statement of Accounting Policies	18
Notes to the Performance Report	19
<b>Auditor's Report</b>	<b>25</b>

## OSTEOPATHIC COUNCIL OF NEW ZEALAND

### Entity Information

#### "Who are we?", "Why do we exist?" FOR THE YEAR ENDED 31 MARCH 2020

**Legal Name of Entity:**

OSTEOPATHIC COUNCIL OF NEW ZEALAND

**Type of entity and Legal Basis :**

The Osteopathic Council of New Zealand (the Council) is a body corporate established by the Health Practitioners Competence Assurance Act 2003 (HPCAA) and is a Responsible Authority under that Act. The council is a registered charity, Charity number CC4175.

**Entity's Purpose or Mission:**

As an Authority under the Act the Council is responsible for the registration and oversight of osteopathic practitioners.

The functions of the Council are listed in section 118 of the Act.

- (a) To prescribe the qualifications required for scopes of practice within the profession, and, for that purpose, to accredit and monitor education institutions and degrees, courses of studies, or programmes
- (b) To authorise the registration of health practitioners under the Act, and to maintain registers
- (c) To consider applications for annual practising certificates (APCs)
- (d) To review and promote the competence of health practitioners
- (e) To recognise, accredit, and set programmes to ensure the ongoing competence of health practitioners
- (f) To receive and act on information from health practitioners, employers, and the Health and Disability Commissioner about the competence of health practitioners
- (g) To notify employers, the Accident Compensation Corporation, the Director-General of Health, and the Health and Disability Commissioner that the practice of a health practitioner may pose a risk of harm to the public
- (h) To consider the cases of health practitioners who may be unable to perform the function required for the practice of the profession
- (i) To set standards of clinical competence, cultural competence, and ethical conduct to be observed by health practitioners of the profession
- (j) To liaise with other authorities appointed under the Act about matters of common interest
- (k) To promote education and training in the profession
- (l) To promote public awareness of the responsibilities of the authority
- (m) To exercise and perform any other functions, powers, and duties that are conferred or imposed on it by or under the Act or any other enactment.

**Entity Structure:**

The Council has eight (8) members. Six (6) Osteopaths and two (2) lay members to represent public interests. Board Members are appointed by the Minister of Health.

**Main Sources of the entity's cash and Resources:**

The Council has received its main income from APC fees paid by registered osteopaths.

**Additional information:**

To protect the public, the Council is also responsible for making sure that Osteopaths keep high standards of practice by continuing to maintain their competence once they have entered the workforce

**General Description of the Entity's Outputs**

To protect the health and safety of members of the public by providing for mechanisms to ensure that osteopaths are competent and fit to practise.

**Contact details****Physical Address:**

Level 5, 22 - 28 Willeston Street, Wellington 6011

**Phone:**

(04) 474 0747

**Email:**

registrar@osteopathiccouncil.org.nz

**Website:**

www.osteopathiccouncil.org.nz



**OSTEOPATHIC COUNCIL OF NEW ZEALAND**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**"How was it funded?" and "What did it cost?"**  
**FOR THE YEAR ENDED 31 MARCH 2020**

		<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Revenue</b>	<b>NOTE</b>		
APC Fees		516,865	392,604
Examination Fees		59,649	26,152
Registration Fees		26,374	19,049
Non-Practising Fees		18,756	4,487
Other Income		0	6,257
Interest		34,282	25,220
Disciplinary Levy		9,280	132,261
<b>Total Revenue</b>		<b>665,206</b>	<b>606,030</b>
<b>Expenditure</b>			
Board & Committees	1	204,358	169,909
Secretariat	2	221,137	222,383
Disciplinary	3	3,307	(60)
<b>Total Expenditure</b>		<b>428,802</b>	<b>392,232</b>
<b>Net Surplus/(Deficit)</b>		<b>236,404</b>	<b>213,797</b>

**OSTEOPATHIC COUNCIL OF NEW ZEALAND**  
**STATEMENT OF MOVEMENT IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2020**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Accumulated Funds at the beginning of period	768,013	554,216
Net surplus/(deficit) for the period	236,404	213,797
Accumulated Funds at the end of period	<b>1,004,417</b>	<b>768,013</b>

The accompanying notes form part of these financial statements

# OSTEOPATHIC COUNCIL OF NEW ZEALAND

## STATEMENT OF FINANCIAL POSITION

"What the entity owns?" and "What the entity owes?"

AS AT 31 MARCH 2020

	NOTE	2020 \$	2019 \$
<b>Equity</b>		<b>1,004,417</b>	<b>768,013</b>
<b>Current Assets</b>			
Cash, Bank & Bank deposits		404,629	351,533
Investments		951,757	826,689
Accounts Receivable	5	13,385	12,095
Prepayments		21,089	8,660
<b>Total Current Assets</b>		<b>1,390,859</b>	<b>1,198,976</b>
<b>Non-Current Assets</b>			
Fixed assets	4	6,534	4,734
Intangible assets	4	27,733	28,358
Work in Progress	4	7,650	0
<b>Total Non-Current Assets</b>		<b>41,917</b>	<b>33,091</b>
<b>Total Assets</b>		<b>1,432,777</b>	<b>1,232,067</b>
<b>Current Liabilities</b>			
Goods and Services Tax		40,408	47,803
Accounts payable and accruals		55,804	37,160
WHT		3,141	3,679
Income in Advance	6	329,007	375,412
<b>Total Current Liabilities</b>		<b>428,360</b>	<b>464,054</b>
<b>Total Liabilities</b>		<b>428,360</b>	<b>464,054</b>
<b>Net Assets</b>	7	<b>1,004,417</b>	<b>768,013</b>

For and on behalf of the Board.



Tim Friedlander  
Council Chairperson  
Date: 10 Aug 20



Clare Prendergast  
Registrar  
Date: 10/08/20

The accompanying notes form part of these financial statements

# OSTEOPATHIC COUNCIL OF NEW ZEALAND

## STATEMENT OF CASH FLOWS

"How the entity has received and used cash"  
FOR THE YEAR ENDED 31 MARCH 2020

	2020 \$	2019 \$
<b>Cash flows from Operating Activities</b>		
Cash was received from:		
Statutory fees and levies	479,800	514,343
Registration income	104,779	49,688
Other fees	0	6,257
Interest Revenue	32,992	18,378
Cash was applied to:		
Payments to suppliers & employees	(428,819)	(404,666)
Net cash flows from operating activities	188,753	183,999
<b>Cash flows from Investing and Financing Activities</b>		
Cash was received from:		
Short-term investments	329,505	196,204
Sales of fixed assets	0	0
Cash was applied to:		
Purchases of fixed Assets	(10,588)	(3,905)
Short-term investments	(454,573)	(520,000)
Net Cash Flows from Investing and Financing Activities	(135,656)	(327,701)
<b>Net Increase / (Decrease) in Cash</b>	53,096	(143,702)
Opening Cash Brought Forward	351,533	495,234
<b>Closing Cash Carried Forward</b>	<b>404,629</b>	<b>351,533</b>
Represented by:		
<b>Cash and cash equivalents</b>	<b>404,629</b>	<b>351,533</b>

## **OSTEOPATHIC COUNCIL OF NEW ZEALAND**

### **STATEMENT OF ACCOUNTING POLICIES**

#### **"How did we do our accounting?"**

#### **FOR THE YEAR ENDED 31 MARCH 2020**

##### **BASIS OF PREPARATION**

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

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

The Council has elected to apply PBE SFR-A (PS) Public Benefit Entity Simple Format Reporting - Accrual (Public Sector) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

##### **SPECIFIC ACCOUNTING POLICIES**

###### **Income recognition**

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

###### **Interest recognition**

Interest revenue is recognised in the period in which it is earned.

###### **Receivables**

Receivables are stated at estimated realisable values.

###### **Property, plant & equipment**

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

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

###### **Intangible Assets**

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

###### **Amortisation**

Intangible assets are amortised over the period of benefit to the Board at the following rate:  
Website/Database 10 years straight line.

###### **Depreciation**

Depreciation of property, plant & equipment is charged at the same rates as the Income Tax Act 1994. The following rates have been used:  
Office furniture & equipment 20% - 100% Straight Line Method  
Computer equipment 20% - 50% Straight Line Method  
Office refit 20% Straight Line Method

###### **Taxation**

The Council is exempt from Income Tax.

###### **Investments**

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

###### **Goods & Services Tax**

The Council is registered for Goods & Services Tax (GST), and all amounts are stated exclusive of GST, except for receivables and payables that are stated inclusive of GST.

###### **Leases**

Payments made under operating leases are recognised in the statement of financial performance on a basis representative of the pattern of benefits expected to be derived from the leased asset.

###### **Cash and cash equivalents**

Cash and cash equivalents includes petty cash, deposits at cheque account and saving account with banks.

# OSTEOPATHIC COUNCIL OF NEW ZEALAND

## NOTES TO THE PERFORMANCE REPORT

### FOR THE YEAR ENDED 31 MARCH 2020

	NOTE	2020	2019
1.COUNCIL & COMMITTEES		\$	\$
Fees		105,440	76,367
Conferences		35,313	33,182
Meeting expenses, training ,travel & others		55,229	46,246
Projects		8,375	14,113
		<b>204,358</b>	<b>169,909</b>

		2020	2019
2.SECRETARIAT EXPENSES		\$	\$
Audit fees		6,640	6,339
Depreciation & amortisation	4	9,412	8,164
Telephone, Postage & Printing and Stationery		2,015	2,418
Other costs		44,434	51,207
Occupancy costs		6,594	6,041
Professional fees		145,072	146,345
Legal costs		6,970	1,870
		<b>221,137</b>	<b>222,383</b>

		2020	2019
3. DISCIPLINARY EXPENSES		\$	\$
Doubtful Debts		(60)	(60)
PCC Investigation Expense		3,367	0
		<b>3,307</b>	<b>(60)</b>

# **OSTEOPATHIC COUNCIL OF NEW ZEALAND** **NOTES TO THE PERFORMANCE REPORT** **FOR THE YEAR ENDED 31 MARCH 2020**

## **4. PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS**

As at 31 March 2020	Opening carrying value	Current year additions	Current year disposals/ sales	Net depreciation & amortisation	Closing Carrying Value
Furniture & fittings	552	0	0	(288)	264
Computer equipment	2,988	6,796	0	(4,085)	5,699
Office refit	1,194	0	0	(623)	571
<b>Total Property, Plant &amp; Equipment</b>	<b>4,734</b>	<b>6,796</b>	<b>0</b>	<b>(4,996)</b>	<b>6,534</b>
Database & Website software	28,358	3,792	0	(4,416)	27,733
<b>Total Intangibles</b>	<b>28,358</b>	<b>3,792</b>	<b>0</b>	<b>(4,416)</b>	<b>27,733</b>
MyOsteo/IMIS Development	0	7,650	0	0	7,650
<b>Total Work in Progress</b>	<b>0</b>	<b>7,650</b>	<b>0</b>	<b>0</b>	<b>7,650</b>

As at 31 March 2019	Opening carrying value	Current year additions	Current year disposals/ sales	Net depreciation & amortisation	Closing Carrying Value
Furniture & fittings	839	0	0	(288)	552
Computer equipment	2,236	3,905	(1,157)	(1,995)	2,988
Office refit	1,817	0	0	(623)	1,194
<b>Total Property, Plant &amp; Equipment</b>	<b>4,893</b>	<b>3,905</b>	<b>(1,157)</b>	<b>(2,906)</b>	<b>4,734</b>
Database & Website software	32,458	0	0	(4,100)	28,358
<b>Total Intangibles</b>	<b>32,458</b>	<b>0</b>	<b>0</b>	<b>(4,100)</b>	<b>28,358</b>

# **OSTEOPATHIC COUNCIL OF NEW ZEALAND** **NOTES TO THE PERFORMANCE REPORT** **FOR THE YEAR ENDED 31 MARCH 2020**

<b>5. ACCOUNTS RECEIVABLE</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Accounts receivable	10,255	10,485
Allowance for doubtful debts	(10,255)	(10,315)
Accrued income	13,385	11,925
	<b>13,385</b>	<b>12,095</b>

<b>6. INCOME IN ADVANCE</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<u>Fees received relating to next year</u>		
APC fees in advance	329,007	375,412
Inactive Registration in advance	0	0
Conference income in advance	0	0
	<b>329,007</b>	<b>375,412</b>

<b>7. EQUITY</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>General Reserve</b>		
Accumulated surpluses with unrestricted use		
Balance at 1 April	289,537	208,060
Surplus/(Deficit) for year	230,431	81,476
Balance at 31 March	<b>519,968</b>	<b>289,537</b>
<b>Discipline Reserve</b>		
Opening Balance	478,477	346,155
Levies received	9,280	132,261
Discipline costs	(3,307)	60
Balance at 31 March	<b>484,449</b>	<b>478,477</b>
<b>Total Reserves</b>	<b>1,004,417</b>	<b>768,013</b>

**General Reserve** is used for operating expenses.

**Discipline Reserve** is used for the Professional Conduct Committees and Health Practitioners Disciplinary Tribunal costs.

# OSTEOPATHIC COUNCIL OF NEW ZEALAND

## NOTES TO THE PERFORMANCE REPORT

### FOR THE YEAR ENDED 31 MARCH 2020

#### 8. COMMITMENTS

The Council have a Service Level Agreement with Nursing Council of New Zealand for the provision of back office corporate services. The Service Level Agreement is for an initial period of five years. The future estimated commitments based on the expected costs included in this agreement as at 31<sup>st</sup> March 2020 are: property \$3,382; Corporate Services \$25,874. Total \$29,257.

	2020	2019
	\$	\$
Due in 1 year	25,874	28,793
Due between 1-2 years	0	25,874
Due between 2-5 years	0	0
	<u>25,874</u>	<u>54,667</u>

Contractual commitments for operating leases of premises Level 5, 22 Willeston Street Wellington

	2020	2019
	\$	\$
Due in 1 year	3,382	3,764
Due between 1-2 years	0	3,382
Due between 2-5 years	0	0
	<u>3,382</u>	<u>7,146</u>

The figures disclosed above reflect the Council's rent, as currently payable.

The lease agreement is in the name of Nursing Council of New Zealand.

The Council have entered into a Regulatory Support Services agreement with Nursing Council Of New Zealand on 25<sup>th</sup> September 2017, which provided regulatory support to the Council for an initial term of one year. This included the provision of a Registrar, a Deputy Registrar, and a Coordinator, so there was no separate personnel expense. Ongoing arrangement of regulatory support continues at \$10,000 per month in FY2019-2020.

	2020	2019
	\$	\$
Due in 1 year	110,000	120,000
Due between 1-2 years	0	0
Due between 2-5 years	0	0
	<u>110,000</u>	<u>120,000</u>



# OSTEOPATHIC COUNCIL OF NEW ZEALAND

## NOTES TO THE PERFORMANCE REPORT

### FOR THE YEAR ENDED 31 MARCH 2020

#### 9. CREDIT CARD FACILITY

A visa credit card with a limit of \$15,000 is held with Westpac.

#### 10. RELATED PARTIES

Total remuneration paid to Board Members of the Council during the year is as follows.

The remuneration paid includes attendance at council meetings, other council activities, travel and meeting expenses, special projects and discipline expenses

	2020	2019
	\$	\$
Emma Fairs	8,617	7,250
Janet Miller	7,654	8,483
Lara Sanders	8,249	5,805
Lawrence Cartmell	11,968	6,665
L Morgan	4,257	0
Martin Lambert	0	15,893
Melinda Sweeney	7,224	7,473
R Aston	7,482	0
Sue Ineson	0	5,064
Tim Friedlander	24,610	21,917
Total	<b>80,061</b>	<b>78,550</b>

#### 11. CONTINGENT LIABILITIES

There are no contingent liabilities at balance date. (2019: \$nil)

#### 12. EVENTS AFTER BALANCE DATE

There were no events that have occurred after balance date that would have a material impact on the Performance Report.

#### 13. CAPITAL COMMITMENTS

There are no capital commitments at balance date. (2019: \$nil)

#### 14. ASSETS HELD ON BEHALF OF OTHERS

There were no assets held on behalf of others during the financial year. (2019: \$nil)

#### 15. SHARED SERVICES

In 2015/16, Nursing Council of New Zealand, Occupational Therapy Board of New Zealand, Podiatrists Board of New Zealand, Dietitians Board, Midwifery Council of New Zealand, Psychotherapists Board of Aotearoa New Zealand, Osteopathic Council of New Zealand, New Zealand Chiropractic Board, Psychologist Board, and Optometrists & dispensing Opticians Board entered into an agreement to co-locate to 22 Willeston Street, Wellington. The lease agreement for 22 Willeston Street (signed solely by Nursing council of New Zealand) is for five years taking effect from 22 February 2016 and expiring on 22 February 2021.

To facilitate the management of shared resources, including a joint lease agreement for office rental purposes and corporate supports, the ten RAs entered into an agreement for the provision of corporate services.

## **OSTEOPATHIC COUNCIL OF NEW ZEALAND NOTES TO THE PERFORMANCE REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **16. COVID-19 IMPACT**

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level 4 and a nationwide lockdown commenced. As part of this lockdown all staff were required to work from home until level one which came into effect on 3 June 2020.

At the date of issuing the financial statement, the Board has been able to absorb the majority of the impact from the nationwide lockdown.

However, economic uncertainties have arisen which may have a financial impact on the Board:

- 1) The potential loss of income from registered practitioners not renewing their Annual Practising Certificate. This impact is currently low as most have already renewed for the 2020\_2021 year.
- 2) The potential loss of income from new registrations caused by the delay of students not completing their qualification in this year. However, with the move to level 1 it appears that students should not be impacted. The situation will continue to be monitored.
- 3) Increased expenditure for the Board to develop and publish guidance plans for practitioners on how to work under the restrictions imposed by COVID-19 and plans to minimize the impact on staff.
- 4) Additional expenditure, however, has been offset due to less travel costs and cancellation of overseas conferences.



## **INDEPENDENT AUDITOR'S REPORT TO THE READERS OF OSTEOPATHIC COUNCIL'S PERFORMANCE REPORT FOR THE YEAR ENDED 31 MARCH 2020**

The Auditor-General is the auditor of the Osteopathic Council. The Auditor-General has appointed me, Chrissie Murray, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the performance report of the Osteopathic Council on his behalf.

### **Opinion**

We have audited the performance report of the Osteopathic Council on pages 14 to 24, that comprises the entity information, the statement of financial position as at 31 March 2020, the statement of comprehensive income, the statement of movement in equity and statement of cash flows for the year ended on that date and the notes to the performance report that include accounting policies and other explanatory information.

In our opinion the performance report of the Osteopathic Council presents fairly, in all material respects:

- the entity information,
- its financial position as at 31 March 2020; and
- its financial performance and cash flows for the year then ended; and
- complies with generally accepted accounting practice in New Zealand and has been prepared in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector)

Our audit was completed on 10 August 2020. 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 Osteopathic Council and our responsibilities relating to the performance report, 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 Professional and Ethical Standards and International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the Auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Impact of Covid-19**

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Council as set out in Note 16 to the performance report.

**Responsibilities of the Council for the performance report**

The Council is responsible for preparing the performance report that is fairly presented and that complies with generally accepted accounting practice in New Zealand.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Council is responsible for assessing the Osteopathic Council's ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to liquidate the Osteopathic Council or to cease operations, or there is no realistic alternative but to do so.

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

**Responsibilities of the auditor for the audit of the performance report**

Our objectives are to obtain reasonable assurance about whether the performance report, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these performance report.

We did not evaluate the security and controls over the electronic publication of the performance report.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governing body.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the governing body and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Osteopathic Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Osteopathic Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibility arises from the Public Audit Act 2001 and section 134(1) of the Health Practitioners Competence Assurance Act 2003.

### **Independence**

We are independent of the Osteopathic Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1(Revised): *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

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



Chrissie Murray  
Baker Tilly Staples Rodway Audit Limited  
On behalf of the Auditor-General  
Wellington, New Zealand







**Osteopathic Council of New Zealand**

**Postal address:**

PO Box 9644  
Marion Square  
Wellington 6141  
New Zealand

**Physical address:**

Level 5  
22-28 Willeston Street  
Wellington 6011  
New Zealand

**Tel:** +64 4 474 0747

[www.osteopathiccouncil.org.nz](http://www.osteopathiccouncil.org.nz)