



**ANNUAL  
REPORT 2014**  
NEW ZEALAND CHIROPRACTIC BOARD



NEW ZEALAND  
CHIROPRACTIC BOARD  
TE POARI KAIKOROHITI O AOTEAROA



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# Chairperson's Report to the Minister of Health

Minister of Health  
Parliamentary Buildings  
Wellington

Dear Minister

In accordance with Section 134(1) of the Health Practitioners Competence Assurance Act 2003 (HPCA Act), I am pleased to present the Annual Report and financial statements of the Chiropractic Board covering the period 1 April 2013 through 31 March 2014.

This is my first report as the Chair since being elected to the position 5 February 2014. The year has been one of considerable challenge and discontinuity. I am pleased to report that the Board has overcome very trying times with a considerable amount of hard work and fortitude to continue to ensure public safety and competence of registered Chiropractors.

## Change to Board Membership

One of the more challenging items the Board experienced this year was the disruption caused by change in membership on the Board.

On 01 April 2013, Dr Sandeep Basal formally resigned from Board duties after serving 7 years and following the completion of his term. Dr Bansal was a very diligent and respected member of the board serving in many capacities. We were sorry to see Sandy leave.

On 10 May 2013, lay member Mrs Cathy Holland resigned, followed in very short succession by lay member Ms Tania Davis on 20 May 2013. This series of events left the Chiropractic Board in the very unfortunate position of lacking a quorum thus effectively inert for 5 months. During this time, all matters of administration were continued by the Registrar, however all disciplinary matters and those matters which required decision making were interrupted. You can appreciate this was a very stressful time for the Registrar who managed the situation with significant finesse and determination.

On 18 May 2013 Dr James Burt, chiropractic member, joined the board.

Two new lay members Ms Liz Hird and Ms Kiri Rikihana were appointed to the board in September 2014. We are very pleased with both Ms Hird and Ms Rikihana's quick adaptation and understanding of our situation which allowed us to quickly move forward on a number of pending issues as a result of the above situation.

At the Board's February meeting, yearly Board elections were held with myself, Dr Grace, elected as Chair and Dr Bruce Adam elected as the Deputy Chair of the Board.

## Stakeholder meetings and activity

- The Board continues to maintain very good relationships with the New Zealand Chiropractors' Association (NZCA) and the New Zealand College of Chiropractic (NZCC) through regular meetings under an existing Memorandum of Understanding agreement. This measure has proved very effective and we anticipate a continued healthy relationship with both parties.
- The Board has had an appointee on the Council on Chiropractic Education Australasia (CCEA) for a number of years. This body has the responsibility for inspecting, accrediting and continually monitoring chiropractic education programmes in Australasia. The Board outsources its accrediting and monitoring responsibilities to the CCEA. This year the Board has transferred the responsibility of setting examinations for overseas trained candidates to the CCEA allowing a more robust procedure and ability to more closely align the process with Australia and provide parity thus a more equal exchange via the Trans-Tasman Mutual Recognition (TTMR). I, Dr Kristin Grace, am our Board appointee on this organisation.
- Regular meetings have been held through the year with representatives from the other RAs, mainly under the umbrella organisation of Health Regulatory Authorities New Zealand (HRANZ). The meetings have centred on the issues of the Shared Services Organisation (SSO) proposal and RA Review proposal.
- The Chiropractic Board of New Zealand normally joins with the Chiropractic Board of Australia (CBA) in a combined meeting to discuss issues that affect both Boards under the Trans Tasman Mutual Recognition legislation. In light of the disruption to The Board, this year's meeting was postponed.
- Bruce Adam, while Chair, attended the World Federation of Chiropractic (WFC) Congress in Durban, South Africa 10-13 April, 2013. New Zealand has, for a number of years, been at the forefront of chiropractic regulation and has continued to be involved on the international stage as chiropractic regulation and practice grows and develops at a rapid rate around the world. These organisations provide discussion on issues relevant to the protection of the public, the mobility by qualified and competent chiropractors between jurisdictions.
- The importance of international interaction has meant that attendances by our Board at meetings of interest such as in NRAS in Australia, the World Federation of Chiropractic (WFC) conferences and the FCLB conferences. These are invaluable in terms of global trends and policies in governance and regulation. In the next year the Board Chair will attend the FCLB and NRAS conferences among others.
- As Chair of the Administration committee, I and the previous chair have regularly attended HRAS meetings throughout the year. HRAS provides secretariat and financial services for the Chiropractic Board, the Dietitians Board, and the Optometrists and Dispensing Opticians Board.

## Finances

The Board is currently in a sound financial position. The audited financial statements are available at the rear of this report. The surplus this year is due in part to careful fiscal management, however is also due to inability to carry out obligations during the time the board was unable to function. Unfortunately in the coming year, spending may reflect a direct increase in order to make up for several complaint issues that had been put on hold and for the previously reduced international liaisons as compared to previous years but which, as stated above, are invaluable and the board feels are essential to attend. The Board has closely monitored its finances to ensure practitioner funds are being used in a prudent and efficient manner to carry out the Board's responsibilities under the HPCA Act and in keeping with the manner of other boards as best possible.

## Conclusion

This year has been particularly challenging due to circumstances outlined above. We are once again functioning as a full board and in a much more comfortable and productive position and we seek to maintain this congenial environment for the foreseeable future.

My sincere thanks to all Board members for their personal support and invaluable input during a challenging year for the Board. The members' deliberations are always focused on the best interests of the health consumer and ensuring that the delivery of chiropractic in the healthcare system is of a high standard, so as to protect the health and safety of the public of New Zealand.

Dr Kristin Grace, Chiropractor  
Chairperson

## Membership of the Board

Board membership as at 31 March 2014 was as follows:

- Dr Kristin Grace (Chairman, Gisborne);
- Dr Bruce Adam (Deputy Chairman, Auckland);
- Dr John O'Malley (Christchurch);
- Professor Stefan Pallister (Carterton);
- Dr James Burt (Rotorua);
- Ms Kiri Rikihana (Wellington) layperson; and
- Ms Liz Hird (Wellington) layperson.

### **Dr Kristin Grace**

Dr Grace is a registered chiropractor and Diplomat to the American Chiropractic Board of Radiology (DACBR) who currently practises with her husband John in Gisborne. She also has a private Chiropractic Diagnostic Imaging consultation service working with chiropractors and health care professionals around the world. She has held academic positions as Department Chair or Head of Diagnostic Imaging with Parker College of Chiropractic, New Zealand College of Chiropractic and the Welsh College of Chiropractic and has been involved at various levels with Chiropractic Examining Boards in the United States, New Zealand and the United Kingdom.

### **Dr Bruce Adam**

Dr Adam graduated from Palmer College in the USA in 1975. He has been in private practice in Auckland since 1975, currently practising at the Milford Chiropractic Clinic with 3 other chiropractors, a massage therapist and an acupuncturist. In the 1980s he served on the NZ Chiropractor's Association Council for 6 years, reaching the position of Vice President. He then served for 6 years on the Chiropractic Board in the 1990s, the last 2 years as Chair. He was again appointed to the Chiropractic Board in 2008, and is currently the Board Chair. He is also a director with the HRAS, the body that provides administrative support to the Board.

### **Dr John O'Malley**

Dr O'Malley is a registered chiropractor who practises in Christchurch and holds a PhD. Dr O'Malley is a guest lecturer at the New Zealand College of Chiropractic and the University of Canterbury.

### **Professor Stefan Pallister**

Professor Pallister is a registered chiropractor who is currently in practice in Carterton. In 2002 he was appointed Foundation Professor and Head of School at Murdoch University in Perth on the establishment of the chiropractic programme at that institution. He is a member of the Council on Chiropractic Education Australasia and brings specialist understanding of chiropractic education to the Board.

### **Dr James Burt**

Dr Burt is a registered chiropractor, graduating from Palmer College (USA) in 1975 and has been in private practice in Rotorua and Tokoroa since 1976. He is also registered to practice in the United Kingdom. He has been a long serving member of the New Zealand Chiropractors' Association Council for 23 years and was elected President in 1984 and again in 2007 until 2011. He was awarded Chiropractor of the Year in 2010. He graduated with a Bachelor of Law in 1999 and admitted as a Barrister and Solicitor in the High Court of NZ, Rotorua Registry. He was appointed to the Chiropractic Board in May 2013.

### Ms Kiri Rikihana

Ms Rikihana is a lawyer who has practiced in the public and private sectors. She has been an appointed board member on Nelson Marlborough DHB from 2004-2007. Since 2009 Ms Rikihana has been a member of the Optometrists and Dispensing Opticians Board. She chairs the Kupe Charitable Trust, and is a trustee at Te Kura Kaupapa Māori O Ngā Mokopuna. Ms Rikihana has previously been employed with Capital and Coast District Health Board as in-house legal counsel and as a contracted project manager.

### Ms Liz Hird

Ms Hird is a lay member who has been a barrister since 1987 and has a wide ranging commercial and administrative law practice. She has had a long involvement in community health, beginning with the founding of the Otaki Women's Health Group in 1987. She was also an initial member of the Otaki Community Health Committee of the Area Health Board and founding trustee and is the current chairperson of the Otaki Community HealthTrust, which provides community grants for health projects. In 2011, Ms Hird was reappointed a District Inspector of Mental Health Services for Manawatu, Wairarapa, Tarawhiti and Wellington, and a District Inspector for Intellectually Disability Services for the lower half of the North Island. Ms Hird was a lay member of the Medical Council of New Zealand for 10 years ending in 2013 during which time she held the posts of Deputy Chair, Chair of the Council's Audit Committee, and Deputy Chair of the Council's Education Committee.

## Meetings of the Board

During the reporting period the Board members attended six (6) face to face Board meetings. The Board generally holds four (4) meetings per year, this year additional meetings were required to manage the backlog of work created by not having a functional Board for five (5) months of the year. Board members also participated in teleconferences during the year.

## Board Committees

The Board has Committees which undertake various functions, including advising the Board on issues that fall within their respective portfolio. Board Committees generally undertake their business via teleconference or other electronic means.

Committees are:

- Administration Committee;
- Complaints and Competence Committee;
- Continuing Professional Development Committee;
- Registration and Examination Committee; and
- Policy Committee.

## Report from the Board's Registrar-General Manager

Overall the 2013/2014 year has been a busy one, with some big changes to Board membership and moving the office to co-locate with two larger Board on top of the regular day to day business. The period of five months in which the Board lacked complete membership was especially trying and busy for the office. Once new members were appointed the office worked hard to assist the Board in bringing the new members and Board work up to speed.

### Operations and Policies

From an operational perspective there were a few large projects underway throughout the year including moving to a new database system, relocating the office and assessing the staffing capacity needs of the Board. These projects were still under action at the close of the year and will be finalised in the next financial year.

Throughout the 2013/2014 there has been a focus on reviewing, updating and organising the Board policies, both internal and external, to ensure smooth management and public safety. One policy that continues to be an area of focus for the Board is the privacy section of the Code of Ethics, at the end of this year the Board has made the decision to revisit this section of policy. The Board launched its first CPD policy in February 2013 and throughout this year communication with practitioners has been very important in assisting the profession in understanding and meeting the CPD requirements. The Board identified a number of policy areas which it plans to consider and work on in the coming year including a review of the CPD policy, advertising guidelines and privacy/confidentiality policy.

### Complaints

The management of ongoing complaints and related matters occupied a great deal of time in the office and Board attention during the period. The Board managed a steady load of complaints throughout the year with the number of complaints up this year compared to last year. This is an area fundamental to the Board's responsibility to protect public safety. Further information on complaints can be found later in this report.

### Looking Forward

Plans for the coming year include improving practitioner records the Board holds as part of the project of moving to a new database, ensuring that the information is up to date and consistent. Additionally the Board plans to increase the number of newsletter sent to the profession providing an opportunity to communicate any complaint trends, frequently asked CPD questions and updates on areas of work for the Board.

The Board continues to be a member of HRAS along with the Optometrists and Dispensing Opticians Board and the Dietitians Board. In April 2014 the Board moved office location in order to co locate with two larger Responsible Authorities (Midwifery Council and Psychologist Board) in addition to the HRAS partners. This move allows the Board greater opportunity for collaboration and knowledge sharing.

I would like to thank all of my colleagues the HRAS office and the Board members for their support during the year. I look forward to a very productive 2014/2015.

Angela Sinclair  
**Registrar-General Manager**

## Functions of the Board

The Board is a legal entity constituted under the provisions of the Health Practitioners Competence Assurance Act 2003 (the Act). The functions of the Board, as set out within the Act, are:

- (a) to prescribe the qualifications required for scopes of practice within the profession, and, for that purpose, to accredit and monitor educational institutions and degrees, courses of studies, or programmes;*
- (b) to authorise the registration of health practitioners under this 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 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 functions 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 this 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 this Act or any other enactment.*

## Administration

### Administrative Structure

The Board employs one (1) dedicated staff member, the Registrar-General Manager who is responsible for all day to day activities of the Board. The Board is also serviced by HRAS which provides financial, information technology and other generic office support for three RAs under the HPCA Act. The other RAs are the Optometrist and Dispensing Opticians Board, and the Dietitians Board. Each of the RAs has a representative serving on the HRAS Board as a Director and they attend HRAS organisational meetings quarterly.

At the close of the 2013/2014 financial year the Board determined that further support was required and a project of appointing an administrator to assist the Registrar was underway.

## Registration and Annual Practising Certificates

### Registration Examinations

Registration Examinations are held by the Board twice a year, during this reporting year the exams were held in September 2013 and March 2014. Five (5) candidates sat the examination during the reporting period. The examination allows chiropractors trained overseas at a CCEI accredited schools to gain eligibility to register and practise chiropractic in New Zealand.

### Scope of Practice for chiropractors

Section 11(1) of the HPCA Act requires the Board to describe the profession of chiropractic in one or more Scopes of Practice.

The Board has gazetted one (1) Scope of Practice which is “chiropractor”. A copy of this Scope of Practice can be found on the Board’s website: [www.chiropracticboard.org.nz](http://www.chiropracticboard.org.nz).

No amendments have been made to this Scope of Practice during the reporting period.

### Prescribed Qualifications

One of the Board’s main functions is the prescription of qualifications required for Scopes of Practice within the profession and for that purpose, to accredit and monitor educational institutions and degrees, courses of studies or programmes. The Board has delegated the accreditation function to the CCEA, of which it is a member, however retains the right to either accept or reject its recommendations.

Pursuant to Section 12 of the Health Practitioners Competence Assurance Act 2003, the following qualifications are prescribed for registration as a Chiropractor:

Registration as a chiropractor in New Zealand under the Chiropractic Board Scope of Practice requires either:

- a Council on Chiropractic Education Australasia (CCEA) accredited Chiropractic qualification from the New Zealand College of Chiropractic, Auckland; or

- a pass in an examination set by the New Zealand Chiropractic Board for chiropractors trained overseas who have graduated from an institution with accreditation status as recognised by a member body of the Council on Chiropractic Education International (CCEI); or
- under the provision of the Trans-Tasman Mutual Recognition Act 1997, registration by the Chiropractic Board of Australia at the time of application.

## The Register

The Board maintains a Public Register of chiropractors, pursuant to s136 of the HPCA Act. As at 31 March 2014 the Register contained 721 names of which 514 held current Annual Practising Certificates.

The Public Register is available for viewing on the Board's website:

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

## Applications for registration

During the reporting period the Board received a total of 52 new applications for registration.

**Table 1: Applications for Registration**

| Act      | Number of Applications | Outcomes   |                            |                |
|----------|------------------------|------------|----------------------------|----------------|
|          |                        | Registered | Registered with conditions | Not registered |
| HPCA Act | 44                     | 44         | –                          | –              |
| TTMR Act | 8                      | 8          | –                          | –              |

## Annual Practising Certificates

The Board is pleased to report that it again decided not to raise the cost of Annual Practising Certificates for the 2013/2014 registration year. The current level of fees has remained the same since 2000.

**Table 2: Applications for an annual practising certificate**

|  | HPCA Act Section | Number     | Outcomes   |                     |         |        |
|--|------------------|------------|------------|---------------------|---------|--------|
|  |                  |            | APC        | APC with conditions | Interim | No APC |
| <b>Total applications</b>                                  | <b>26</b>        | <b>514</b> | <b>514</b> | –                   | –       | –      |
| <b>Reasons for non-issue</b>                               |                  |            |            |                     |         |        |
| Competence   | 27 (1) a         | –          |            |                     |         |        |
| Failed to comply with a condition                          | 27 (1) b         | –          |            |                     |         |        |
| Not completed required competence programme satisfactorily | 27 (1) c         | –          |            |                     |         |        |
| Recency of practice  | 27 (1) d         | –          |            |                     |         |        |
| Mental or physical condition                               | 27 (1) e         | –          |            |                     |         |        |
| Not lawfully practising within 3 years                     | 27 (1) f         | –          |            |                     |         |        |
| False or misleading application                            | 27 (3)           | –          |            |                     |         |        |

## Competence, Fitness to Practise and Quality Assurance

### Continuing Professional Development (CPD) programme

The Board launched its CPD programme in February 2012. Participation in this programme is mandatory for all practitioners who currently hold an annual practising certificate. The programme runs on a two year cycle and is flexible enough to fit all practitioners' individual needs. The Board sees the CPD programme a key tool in ensuring that practitioners maintain their competence.

## Competence referrals

The Board, during the reporting period, received one competence notification.

**Table 3: Competence referrals**

| Source                             | HPCA Act Section | Number   |
|------------------------------------|------------------|----------|
| Health Practitioner (Under RA)     | 34 (1)           | 0        |
| Health and Disability Commissioner | 34 (2)           | 1        |
| Employer                           | 34 (3)           | 0        |
| Other                              | 36 (4)           | 0        |
| <b>Total</b>                       |                  | <b>1</b> |

**Table 4: Outcomes of competence referrals**

| Outcomes  | HPCA Act Section | Number   |     |        |              |
|---|------------------|----------|-----|--------|--------------|
|   |                  | Existing | New | Closed | Still Active |
| No further action   |                  | –        | –   | –      | –            |
| (Total number) Initial inquiries                                  | 36               | –        | –   | –      | 1            |
| Notification of risk of harm to public                            | 35               | –        | –   | –      | –            |
| Orders concerning competence                                      | 38               | –        | –   | –      | –            |
| Interim suspension/ conditions                                    | 39               | –        | –   | –      | –            |
| Competence programme  | 40               | –        | –   | –      | –            |
| Recertification programme   | 41               | –        | –   | –      | –            |
| Unsatisfactory results of competence or recertification programme | 43               | –        | –   | –      | –            |

## Health/Fitness to Practise

There have been no referrals to the Board under section 45 of the HPCA Act this year.

## Complaints and Discipline

### Complaints

During the reporting period the Board received a total of 10 new complaints and had 6 complaint matters carry over from the previous year. The sources and outcomes of these complaints are detailed below:

**Table 7: Complaints from various sources and outcomes**

| Source                             | Number |          | Outcome           |  |  |         |
|------------------------------------|--------|----------|-------------------|--|--|---------|
|                                    | New    | Existing | No further action | Referred to Professional Conduct Committee | Referred to the Health and Disability Commissioner | Ongoing |
| Consumers                          | 5      | 3        | 5                 | 2  | 8  | 3       |
| Health and Disability Commissioner | 1      | –        | –                 | –  | –  | 1       |
| Health Practitioner (Under RA)     | 2      | –        | 1                 | 1  | 1  | 1       |
| Other Health Practitioner          | –      | 1        | 1                 | –  | –  | –       |
| Courts notice of conviction        | 1      | –        | –                 | 1  | –  | 1       |
| Employer                           | –      | –        | –                 | –  | –  | –       |
| Other                              | 1      | 2        | –                 | 1  | 2  | 1       |

## Professional Conduct Committees (PCCs)

During the reporting year the Board had four (4) matters before a PCC.

**Table 8: Professional Conduct Committee cases**

| Nature of issue                                  | Source  | Number | Outcome |
|--|---------|--------|---------|
| Fraudulent claiming                              | Patient | 1      | Ongoing |
| Concerns about standards of practice             | Patient | 1      | Ongoing |
| Notification of conviction                       | Courts  | 1      | Ongoing |
| Theft  | –       | –      | –       |
| Conduct  | –       | –      | –       |
| Practising outside scope                         | –       | –      | –       |
| Practising without annual practising certificate | ACC     | 1      | Ongoing |
| Other  | –       | –      | –       |

## Health Practitioners Disciplinary Tribunal

The Board had no cases before the Tribunal during the reporting period.

## Appeals and Judicial Reviews

There have been no appeals or judicial reviews against decisions made by the Board during this reporting period

## Fee Structure

The fees currently set by the Board are as follows:

| <b>Fees Payable</b>   | <b>\$<br/>(GST inclusive)</b> |
|---|-------------------------------|
| <b><u>Registration</u></b>  |                               |
| Application for registration  | 153.00                        |
| Application for an initial Annual Practising Certificate<br>between 1 April and 30 November         | 1,124.00                      |
| Application for an initial Annual Practising Certificate<br>between 1 December and 31 March         | 408.00                        |
| Application for renewal of an Annual Practising Certificate<br>between 1 February and 31 March      | 1,124.00                      |
| <b><u>Restoration</u></b>   |                               |
| Application for renewal of an expired Annual Practising Certificate<br>within 3 years of expiry     | 1,226.00                      |
| Application for renewal of an expired Annual Practising Certificate<br>3 or more years after expiry | 1,277.00                      |
| <b><u>Examination</u></b>   |                               |
| Application to sit the Board's Competence Examination   | 3,066.00                      |
| Application for administrative reconsidering of results   | 408.00                        |
| Application to discuss results/further examination with examiner                                    | 306.00                        |
| Application for administrative remarking of examination   | 408.00                        |
| Application for appeal of examination result  | 408.00                        |
| Application for and renewal of maintenance of registration for non-practising practitioners         | 150.00                        |
| <b><u>Other</u></b>   |                               |
| Certificate of Registration   | 30.00                         |
| Certificate of Good Standing  | 50.00                         |
| Copy of Register  | 50.00                         |

## Contacting the Board

*All correspondence should be addressed to:*

Registrar  
Chiropractic Board  
PO Box 10-140  
The Terrace  
Wellington 6143

*The Board's office is located at:*

Level 9  
79 Boulcott Street  
Wellington 6011

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**INDEPENDENT AUDITOR'S REPORT  
TO THE READERS OF  
NEW ZEALAND CHIROPRACTIC BOARD'S  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014**

The Auditor-General is the auditor of the New Zealand Chiropractic Board (the Board). The Auditor-General has appointed me, Robert Elms, using the staff and resources of Staples Rodway Wellington, to carry out the audit of the financial statements of the Board on her behalf.

We have audited the financial statements of the Board on pages 19 to 24, that comprise the statement of financial position as at 31 March 2014, the statement of financial performance and statement of movements in equity for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

**Opinion**

In our opinion the financial statements of the Board on pages 19 to 24:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Board's:
  - financial position as at 31 March 2014; and
  - financial performance for the year ended on that date.

Our audit was completed on 30 August 2014. 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 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 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. 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. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Board's financial statements 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 Board's internal control.

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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 Board;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

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

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 Board**

The Board is responsible for preparing financial statements that:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Board's financial position, and financial performance.

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

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

#### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 134(1) of the Health Practitioners Competence Assurance Act 2003.

#### **Independence**

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

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

A handwritten signature in black ink, appearing to read 'R. Elms'.

Robert Elms  
Staples Rodway Wellington  
On behalf of the Auditor-General  
Wellington, New Zealand

NEW ZEALAND  
CHIROPRACTIC BOARD

**Statement  
of Financial  
Performance**  
*for the Year Ended  
31 March 2014*

|   | 2014<br>\$      | 2013<br>\$      |
|---|-----------------|-----------------|
| <b>REVENUE</b>  |                 |                 |
| Practising Certificates   | 489,097         | 463,043         |
| Registration  | 7,761           | 8,115           |
| Examination Fees  | 13,330          | 23,995          |
| Interest Income   | 23,234          | 19,599          |
| Other Income  | 1,942           | 3,956           |
| <b>Total Income</b>   | <b>535,364</b>  | <b>518,708</b>  |
| <b>Less Expenses</b>  |                 |                 |
| Accident Compensation Levy  | 260             | 234             |
| Audit Fees  | 5,836           | 5,515           |
| Authority Member Fees   | 101,205         | 81,456          |
| Bank Charges  | 7,747           | 7,186           |
| Board Related Expenses  | 56,346          | 36,850          |
| Catering  | 4,672           | 7,070           |
| Committee Fees  | 6,688           | 17,536          |
| Computer Software & Support   | 3,903           | 3,948           |
| Conferences & Seminars  | 0               | 156             |
| CPD Programme   | 13,439          | 3,360           |
| Education Fund Grants   | 0               | 435             |
| Employment Related Costs  | 92,033          | 82,139          |
| Examination Costs   | 10,458          | 19,203          |
| Hire of Plant & Equipment   | 3,261           | 3,598           |
| Insurance   | 638             | 594             |
| Legal Expenses  | 4,605           | 14,666          |
| Loss on disposal of Asset   | 0               | 653             |
| Office Equipment Expensed   | 0               | 111             |
| Operating overheads   | 3,765           | 4,469           |
| PCC   | 5,401           | 0               |
| Postage   | 2,965           | 2,379           |
| Printing & Stationery   | 6,202           | 5,989           |
| Rent  | 14,370          | 14,370          |
| Secretariat Operating Costs   | 50,872          | 47,813          |
| Special Projects  | 12,186          | 2,452           |
| Subscriptions   | 13,527          | 41,909          |
| Telephone & Teleconferencing  | 2,699           | 3,576           |
| Training  | 2,605           | 3,148           |
| Venue Hire  | 1,879           | 1,817           |
| Website Expenses  | 900             | 1,080           |
| <b>Total Expenses</b>   | <b>429,325</b>  | <b>413,712</b>  |
| <b>Net Surplus/(Deficit) Before Depreciation<br/>&amp; Amortisation</b> | <b>106,039</b>  | <b>105,649</b>  |
| Depreciation  | 389             | 4,315           |
| Amortisation  | 13,000          | 13,000          |
| <b>NET SURPLUS/(DEFICIT)</b>  | <b>\$92,650</b> | <b>\$87,681</b> |

*To be read in conjunction  
with the Notes to the  
Financial Statements*

NEW ZEALAND  
CHIROPRACTIC BOARD

## Statement of Movements in Equity

*for the Year Ended  
31 March 2014*

|                                    | 2014<br>\$       | 2013<br>\$       |
|------------------------------------|------------------|------------------|
| <b>EQUITY AT START OF PERIOD</b>   | 350,076          | 262,395          |
| Net Surplus/(Deficit) for the year | 92,650           | 87,681           |
| <b>EQUITY AT END OF PERIOD</b>     | <b>\$442,726</b> | <b>\$350,076</b> |

*To be read in conjunction  
with the Notes to the  
Financial Statements*

NEW ZEALAND  
CHIROPRACTIC BOARD

## Statement of Financial Position

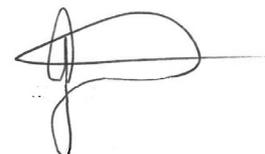
As at 31 March 2014

|                                 | Note | 2014<br>\$       | 2013<br>\$       |
|---------------------------------|------|------------------|------------------|
| <b>CURRENT ASSETS</b>           |      |                  |                  |
| Westpac Cheque Account          |      | 127,156          | 48,478           |
| Westpac Online Saver            |      | 493,320          | 534,306          |
| Westpac Term Deposits           |      | 414,344          | 269,312          |
| Accounts Receivable             |      | 0                | 372              |
| Other Current Assets            |      | 1,704            | 15,161           |
| <b>Total Current Assets</b>     |      | <b>1,036,524</b> | <b>867,629</b>   |
| <b>NON-CURRENT ASSETS</b>       |      |                  |                  |
| Fixed Assets                    | 5    | 4,275            | 1,614            |
| Intangible Asset- Website       | 6    | 0                | 13,000           |
| Loan                            | 4    | 6,528            | 6,528            |
| Investment                      | 3    | 20               | 20               |
| <b>Total Non-Current Assets</b> |      | <b>10,823</b>    | <b>21,162</b>    |
| <b>TOTAL ASSETS</b>             |      | <b>1,047,347</b> | <b>888,791</b>   |
| <b>CURRENT LIABILITIES</b>      |      |                  |                  |
| GST Due for Payment             | 1(e) | 61,832           | 60,315           |
| Accounts Payable                |      | 66,490           | 32,880           |
| Credit Cards                    |      | 68               | 156              |
| Income in Advance               |      | 466,476          | 437,154          |
| KiwiSaver Deductions Payable    |      | 0                | 0                |
| PAYE Payable                    |      | 5,473            | 1,437            |
| WHT Payable                     |      | 4,282            | 6,773            |
| <b>TOTAL LIABILITIES</b>        |      | <b>604,621</b>   | <b>538,715</b>   |
| <b>NET ASSETS</b>               |      | <b>\$442,726</b> | <b>\$350,076</b> |
| <b>EQUITY</b>                   |      |                  |                  |
| Retained Earnings               |      | 442,726          | 350,076          |
| <b>TOTAL EQUITY</b>             |      | <b>\$442,726</b> | <b>\$350,076</b> |

Chairperson:



Registrar:



Date:

30 August 2014

To be read in conjunction  
with the Notes to the  
Financial Statements

## Notes to the Financial Statements

for the Year Ended  
31 March 2014

### 1. STATEMENT OF ACCOUNTING POLICIES

#### Reporting Entity

The New Zealand Chiropractic Board (the “Board”) is constituted under the Health Practitioners Competence Assurance Act 2003. These financial statements have been prepared in accordance with the Financial Reporting Act 1993.

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

#### General Accounting Policies

These Financial Statements have been prepared in accordance with generally accepted accounting practice in New Zealand on the basis of historical cost. Reliance is placed on the fact that the entity is a going concern.

#### Specific Accounting Policies

##### (a) Annual Practising Certificate Income

Annual practising certificate income is recorded only upon receipt. No accounts receivable are recognised and receipts for annual practising certificates issued for future years are shown as income received in advance.

##### (b) Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in previous years.

##### (c) Fixed Assets & Depreciation

Fixed assets are shown at original cost less accumulated depreciation. Depreciation has been calculated over the expected useful life of the assets at the following rates  
Office Equipment 20% – 48% Straight Line

##### (d) Intangible Assets & Amortisation

Websites have a finite useful life. Websites are capitalised and amortised over their currently estimated useful life of 3 years on a straight line basis.

Costs associated with maintaining websites are recognised as expenses when incurred.

##### (e) Goods & Services Tax

The Statement of Financial Performance has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of accounts receivable and payables.

##### (f) Income Tax

The Board is registered as a charitable entity under the Charities Act 2005 and is therefore exempt from Income Tax.

##### (g) Investments

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

## Notes to the Financial Statements

for the Year Ended  
31 March 2014

### 2. CONTINGENT LIABILITIES AND COMMITMENTS

At balance date there are no known contingent liabilities (2013: \$0).

There are no capital or other commitments at balance date (2013: \$0).

### 3. INVESTMENT

The Board has an undivided 1/5th share in the issued share capital of Health Regulatory Authorities Secretariat Limited (HRAS). The consideration of \$20 is not yet paid.

### 4. RELATED PARTIES

HRAS provides administrative services to the Board on a non-profit cost recovery basis. The cost of those services for the year was \$ 50,872 (2013 - \$ 47,813). The services provided are on an arm's length basis (refer to Note 8).

The five shareholding Boards in HRAS have each advanced \$6,528 to that company to provide it with working capital. The Loan is repayable upon dissolution of HRAS, or if the Board decide to leave the HRAS Group. The loan is repayable upon dissolution of HRAS, or if the Board decide to leave the HRAS Group.

### 5. FIXED ASSETS

|                               | 2014<br>\$   | 2013<br>\$   |
|-------------------------------|--------------|--------------|
| <b>Office Equipment</b>       |              |              |
| At cost                       | 33,603       | 32,595       |
| Less Accumulated Depreciation | 29,328       | 30,981       |
| <b>Total</b>                  | <b>4,275</b> | <b>1,614</b> |

### 6. INTANGIBLE ASSETS

|                               | 2014<br>\$ | 2013<br>\$    |
|-------------------------------|------------|---------------|
| <b>Website</b>                |            |               |
| At cost                       | 39,000     | 39,000        |
| Less Accumulated Amortisation | 39,000     | 26,000        |
| <b>Total</b>                  | <b>0</b>   | <b>13,000</b> |

### 7. CREDIT FACILITY

The Board has a Business Mastercard facility of \$30,000.

## Notes to the Financial Statements

*for the Year Ended  
31 March 2014*

### 8. FINANCIAL MANAGEMENT AGREEMENT

Health Regulatory Authorities Secretariat Limited (HRAS) was established to provide business management support to the New Zealand Chiropractic Board, the Dietitians Board, the Podiatrists Board of New Zealand, the Optometrists and Dispensing Opticians Board and the Osteopathic Council of New Zealand (collectively 'the entities'). HRAS provides financial management support to the entities according to a number of conditions:

1. Each of the entities holds an undivided share in HRAS; that company was formed to provide management support to those entities.
2. Each of the entities contributed an equal sum to the working capital of HRAS. This amount was set initially at \$5,000 each.
3. HRAS is not to make a profit from its business partnership with the entities.
4. Each Board will be invoiced monthly for an equal amount equivalent to the expenses incurred by HRAS in managing its own business.
5. Each Board will be invoiced monthly for those direct costs and expenses that HRAS has incurred on its behalf.
6. At the end of each month and financial year HRAS will show a nil financial balance on all its operations.

At 31st March 2014 the HRAS Statement of Financial Position showed net assets of \$100.

### 9. CHANGE IN RELATIONSHIP WITH HRAS

The entities agreed that with effect from 1st April 2011, the Podiatrists Board and the Osteopathic Council would withdraw from the arrangement, although certain limited services were provided by HRAS until mid July 2011. The shareholding held by the two withdrawing entities is to be transferred in equal proportions to the remaining entities. These shareholdings have not been transferred at the date of this report.

### 10. UNCERTAINTY ABOUT THE DELIVERY OF OFFICE FUNCTIONS IN FUTURE

In February 2011, Health Workforce New Zealand (HWNZ), on behalf of the Minister of Health, issued a consultation document proposing a single shared secretariat and office function for all 16 health regulatory authorities (RAs). As at 31 March 2014, this proposal is no longer under consideration with any uncertainty disclosed in previous years being removed.



NEW ZEALAND  
**CHIROPRACTIC BOARD**  
TE POARI KAIKOROHITI O AOTEAROA