

The Psychotherapists Board of Aotearoa New Zealand

Te Poari o nga Kaihaumanu Hinengaro o Aotearoa

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Annual Report

Year Ending 30 September 2016

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Acronyms used in this report

ACC	Accident Compensation Corporation
APC	Annual Practising Certificate
CRC	Competence Review Committee
HDC	Health and Disability Commissioner
HPCAA	Health Practitioners Competence Assurance Act 2003
HRANZ	Health Regulatory Authorities of New Zealand
HPDT	Health Practitioners Disciplinary Tribunal
MoU	Memorandum of Understanding
PCC	Professional Conduct Committee
PRG	Partner Regulatory Group
RA	Responsible Authority
SLA	Service Level Agreement

1. Governance

The Psychotherapists Board of Aotearoa New Zealand (the Board)

The Board's role is to implement the Health Practitioners Competence Assurance Act 2003 (HPCAA), fulfil the principal purpose as set out in section 3 and the functions as set out in section 118 of the HPCAA. The Board has made a commitment to ensure that issues of diversity and equality are valued, upheld, promoted and underpin all aspects of the Board's work according to the:

- Principles of natural justice and administrative law
- Health and Disability Commissioner Act 1994 - Code of Health and Disability Services Consumers' Rights
- Health and Disability Services Act 1993
- Health and Safety at Work Act 2015
- Privacy Act 1993 - Health Information Privacy Code 1994
- Human Rights Act 1993

Duties and functions as set out in section 118

The functions of each authority appointed in respect of a health profession are to:

- Prescribe the qualifications required for scopes of practice within the profession and, for that purpose, to accredit and monitor educational institutions and degrees, and courses or programmes of study.
- Authorise the registration of health practitioners under this Act, and to maintain registers.
- Consider applications for annual practising certificates.
- Review and promote the competence of health practitioners.
- Recognise, accredit and set programmes to ensure the ongoing competence of health practitioners.
- Receive and act on information from health practitioners, employers and the Health and Disability Commissioner about the competence of health practitioners.
- Notify employers, the Accident Compensation Corporation (ACC), the Director-General of Health and the Health and Disability Commissioner if the practice of a health practitioner may pose a risk of harm to the public.
- Consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession.
- Set standards of clinical competence, cultural competence and ethical conduct to be observed by health practitioners of the profession.
- Liaise with other authorities appointed under this Act about matters of common interest.
- Promote education and training in the profession.
- Promote public awareness of the responsibilities of the authority.
- 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.

Chair report

This report highlights the activities of the Psychotherapists Board of Aotearoa New Zealand (the Board) for the period 1 October 2015 to 30 September 2016.

The Board has remained stable with no changes to membership or Board employees; however there have been changes to member roles. Ms Carol Shinkfield, the last inaugural Board member, stepped down as Chair. Mrs Shinkfield remains on the Board till the completion of her final term. I would like to acknowledge that the Board has greatly appreciated and values the contribution that Mrs Shinkfield has made since being appointed in 2007 and in her role as Chair over the past three years.

Following elections, I have moved from my role as Deputy Chair to Chair. Ms Miriana Stephens, a valuable layperson, was elected Deputy Chair.

Employees

The Board is fortunate to have retained both Jacquelyn Manley as Registrar and Eva Petro as Registration Officer. The Board appreciates their work this year in managing the successful move to new premises and navigating new financial and administrative systems while managing Board processes and business as usual. The Registrar continues to be pro-active and innovative in assisting the Board and managing partnership relationships with other Responsible Authorities (RAs).

Collaboration with other Responsible Authorities

Following the signing of a Memorandum of Understanding (MoU) the Board collocated with the Nursing Council of New Zealand and eight other RAs in February 2016; this group is called the Partner Regulatory Authorities (PRA).

This move is the beginning of a collaborative relationship with the Nursing Council providing agreed core services such as property, facilities management, IT support and financial services through a Service Level Agreement (SLA). As well as shared administrative processes this move will provide opportunities for ongoing collaboration including the sharing of ideas.

The Board appreciates the work the Nursing Council has undertaken to enable this collaboration and acknowledges all the PRAs who are integral to the continued success of the PRA.

Recertification

The Board completed its inaugural recertification audit in 2016 which involved auditing the recertification plans of approximately 15 psychotherapists. This inaugural audit identified some template improvements; these improvements were subsequently made and advertised to all psychotherapists.

Accreditation of training programmes

This work is ongoing with the Board currently consulting with psychotherapy training providers on draft accreditation requirements for both Tertiary Programmes and Professional Development Programmes or Courses of Study.

The Board will use the responses and information obtained from psychotherapy training providers to further develop the proposed accreditation requirements before wider consultation with psychotherapy training providers, psychotherapists, stakeholders and members of the public.

Strategic Planning

The Board Chair and Registrar attended a Health Regulatory Authority NZ (HRANZ) meeting with a presentation from the Health Strategy team member from the Ministry of Health. Mr Chuah presented the Ministry's Health Strategy, emphasising changing populations and workforces and the opportunities these changes present. He advised diversity in psychotherapeutic approaches that respond to shifting demographics.

Information such as the above is useful for Board governance and strategic planning and in accreditation of training programmes, as we need to be informed about changing practices in health care delivery, population trends and demographics, and the relationship between public health needs and the practice of psychotherapy.

Following a Board planning day, the Board is currently formulating a five year Strategic Plan.

Risk Register

The Board is aware of its responsibilities under the Health and Safety at Work Act 2015. The Board is currently reconsidering risk mitigation and its Risk Register with a wider lens. Once approved this will continue to be a living document reviewed at each Board meeting.

Te Tiriti o Waitangi

The Board affirms its ongoing commitment to Te Tiriti o Waitangi at every Board meeting by discussing and considering how members will implement the Board's policy statement on the place of Te Tiriti o Waitangi in carrying out the Board's regulatory functions under the Health Practitioners Competence Assurance Act 2003 (HPCAA).

Board evaluation

Board members continue to complete an annual evaluation of the Board functioning, a self-evaluation as a Board member, and an evaluation of the Chair. The information gathered is used to focus and inform governance, training and aid transparency.

Professional Advisors

The Board has been working with one Professional Advisor over the past two years and members have become increasingly aware that knowledge related to Board work can be specialised and takes time to learn.

The Board has recently developed two new Professional Advisor position descriptions to assist the Registrar and Board with recertification audits and comparable qualification assessments. Expressions of interest have been requested from psychotherapists holding a current Annual Practising Certificate.

Complaints and notifications involving practitioners

Notifications and complaints continue to remain relatively low; however each year the number of queries regarding practice and/or health concerns has increased.

The Board has closed several cases throughout the year with two cases ongoing.

Financial Viability

Following a comprehensive cost recovery analysis¹ of Board work and fees in late 2015 and early 2016, the Board reviewed ways in which to reduce costs. Among other initiatives, Board meetings were reduced from six to five, face-to-face Accreditation meetings² were reduced and all Board meetings were moved to Wellington to reduce travel costs and other expenses.

Taking into account these reduced expenses, it was still evident that the Board would need to consult on amending the Board's fee schedule in line with the cost recovery analysis. This decision was necessary to ensure the ongoing viability of the Board.

The cost recovery analysis undertaken by the Board highlighted that some fees were either too low or too high. Following consultation³ with psychotherapists and stakeholders, a variety of consultation responses were received. The Board considered all responses carefully and, as a result of that feedback, amended some of the proposed fees. The Board Gazetted a new fee schedule in June 2016.

The Board is now in a sound financial position with the next budget set to produce a breakeven result. The Board has reserves for IT upgrades including website, database, online APC renewal and document management systems. These projects had been put on hold following the cost recovery analysis but will now proceed as soon as practicable.

Closing Comment

In general the Board is working well, consistently delivering outcomes by: meeting the requirements of registration; delivering annual practice certification; managing complaints and practice issues; sound financial management; and developing accreditation of training programmes. The Board values its relationships with all stakeholders and continues to emphasise accessibility and open communication.

¹ this considered all actions involved in any task associated with a fee. This analysis tracked the minimum and maximum time spent on each task and assigned a dollar value based on the person undertaking the work

² more work was undertaken electronically

³ the changes made were in line with the principles outlined in the Office of the Auditor-General - Guidelines on Changing Fees for Public Sector Goods and Services

Board member details

The Minister of Health appoints Board members for terms up to three years, in accordance with sections 120-122 of the HPCAA. The Chairperson and Deputy Chairperson are appointed by the Board at its first meeting of each year.

Ms Suzanne Johnson (Chair)

Ms Johnson is a psychotherapist working in private practice in Wellington, and was appointed to the Board in May 2013. Ms Johnson's original psychotherapy training was in transactional analysis and her therapy approach is informed by relational, intersubjective, psychoanalytic and mind/body theories. Ms Johnson is interested in cultural theory and the development of language, thinking, ethics and identity within cultural contexts. Ms Johnson has been on the NZAP Council as Chair of Public Issues and is currently a member of Wellington Transactional Analysis Training Institute which provides training and clinical supervision to psychotherapy students. Before private practice, Ms Johnson worked as a clinical nurse specialist in Wellington's Mental Health Service.

Ms Miriana Stephens (Deputy Chair and lay member)

Ms Stephens was born and raised in Motueka by her grandparents. She has a Bachelor of Arts majoring in New Zealand History from Canterbury University and a Law Degree from Waikato University majoring in Commercial Law and Māori Land Law.

Ms Stephens is currently a director of Aotahi Limited (Aotahi) which is a Māori-owned and managed business based in Te Kuiti that specialises in developing and managing educational programmes and resources for entrepreneurs / small business owners throughout Aotearoa.

Ms Stephens is also a director for Wakatū Incorporation (Wakatū). Wakatū is a family business whose owners descend from the original Māori landowners of the Nelson, Tasman and Golden Bay Region. She is a director on the property division, is a member of the audit and risk committee and also holds horticultural directorships on behalf of Wakatū and Kono NZ (the Food and Beverage business of Wakatū). Ms Stephens is also trustee for Te Āwhina Marae and Motueka High School and currently resides in Motueka with her children.

Ms Anna Hedley

Ms Hedley was appointed to the Board in May 2013. Ms Hedley graduated with a Diploma in Psychotherapy (AIT) in 1996 and a Master of Health Science (first class honours) in 2003. She has worked as a psychotherapist at ADHB for twenty years, and is the clinical coordinator of the Regional Eating Disorders Service. She was the Professional Leader for the ADHB psychotherapists from 2008-2014. She has a special interest in health law, and completed a postgraduate paper in health law at AUT in 2013.

Mr Bill Grant

Mr Grant was appointed to the Board in February, 2011. He has degrees in German and English, and spent ten years teaching in the Cook Islands, New Zealand, and Germany before starting an apprenticeship in psychotherapy under the NZAP programme. He undertook this while working at an adolescent inpatient psychiatric training unit in Dunedin, attached to the Department of Psychological Medicine at the university. This led to work as a visiting guidance counsellor, a clinic manager in the University of Otago, a private practitioner, a trainer of clinicians in several disciplines and programmes, a clinical advisor in the ACC Sensitive Claims Unit, and in an advisory role for the Health and Disability Commissioner. He has also served as Ethics Secretary for the New Zealand Association of Counsellors, managing their complaints service, and as lay member of a New Zealand Law Society Standards

Committee, providing advice on complaints. He continues to work as a private psychotherapist in central Wellington.

Ms Carol Shinkfield

Ms Shinkfield has been a Board member since the Board's inception in 2007 and is currently serving her last term. Ms Shinkfield is a child and adolescent psychotherapist with over 20 years' experience working therapeutically with children, adolescents and their families. She also provides clinical supervision for a number of health practitioners and health services. Ms Shinkfield was the programme leader at Auckland University of Technology for the Graduate Diploma in Child Mental Health, and the Master of Health Science specialising in Child and Adolescent Psychotherapy and taught on both programmes for 14 years.

Ms Megan Campbell (lay member)

Ms Campbell has qualifications in Arts, Commerce and Policy. She has worked in policy and communications roles for several central government organisations, within Parliament, and most recently she was Operations Manager in a high profile not-for-profit organisation. Ms Campbell also provides government relations advice to New Zealand companies and not-for-profits. Ms Campbell has governance experience and serves on a number of school, community and whanau boards.

Mr Simon Hall

Mr Hall is a practitioner Board member appointed in August 2015. He is a Child and Adolescent Psychotherapist with over 20 years' experience working with children, adolescents and their families. He has worked in private practice, charitable and District Health Board settings in both New Zealand and the United Kingdom. Mr Hall has acted on the Executive of the New Zealand Association of Child and Adolescent Psychotherapists for nine years. He has also acted as an expert advisor for the Health and Disability Commission and has been on the PBANZ Professional Conduct Committee since 2012. He is based in Christchurch and has an adult daughter.

Board Member Fees

Fees are paid to members for work undertaken on behalf of the Board. These rates have remained unchanged since 2009.

Board Chairperson \$90.00 per hour

Board members \$80.00 per hour

2. Secretariat

Board meetings

Agendas and supporting papers are prepared for each Board meeting; minutes record the proceedings of each meeting. A quorum of four Board members, including at least one member who is a layperson, is required for the Board to transact business. All members are required during meetings to declare any conflict of interest with agenda items.

Collaboration and colocation

To support business process and collaboration the Board collocated with the Nursing Council of New Zealand (NCNZ) and eight other Responsible Authorities (RAs) in February 2016. This process involved entering into a Memorandum of Understanding with all RAs and a Service Level Agreement (SLA) with the NCNZ. The SLA covers core services such as property, facilities management, IT support, finance and payroll.

One of the benefits of this move is access to the NCNZ database platform. This will require modification and adaption, but once completed, will help future-proof the Board's data and meet the needs of the Board. This work will begin as soon as practicable.

Both the Board and the secretariat are pleased with their new premises and the opportunities provided by this collaboration.

Board meeting dates

There were five meetings held between 1st October 2015 and 30th September 2016:

- 29th and 30th November 2015
- 26th and 27th February 2016
- 1st and 2nd May 2016
- 22nd and 23rd July 2016
- 11th and 12 September 2016

Board committees

The Board has established the following Board Advisory Committees to assist with undertaking its statutory functions:

- Accreditation Committee
- Finance and Risk Committee
- Fitness to Practise Committee
- Notifications and Complaints Committee
- Personnel Committee
- Recertification and Audit Committee
- Qualifications Committee

These Board Advisory Committees undertake various functions in line with issues that fall within their respective portfolios. Each committee conducts itself according to what the work dictates. Business is undertaken through various means such as email, the Board Only Site⁴, teleconference and face-to-face meetings with committees often using a combination of communication methods. Some committees have delegated decision-making powers, but all committees ultimately report to the Board and provide regular updates on progress.

3. Registration of, and practising certificates for, health practitioners

– Part two of the HPCAA

Psychotherapist Scopes of Practice

Under section 11 of the HPCAA, the Board has authorised three Psychotherapist Scopes of Practice:

1. Psychotherapist Scope of Practice.
2. Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism.
3. Interim Psychotherapist Scope of Practice.

⁴ a site accessible only to Board members

The Board has two pathways to registration. Acceptable qualifications are being grandparented until the accreditation⁵ of psychotherapy training programmes are completed. The two pathways are:

1. Tertiary Programme; and
2. Professional Development Programme or Course of Study.

Persons seeking registration under a Tertiary Programme must hold a Masters level qualification in psychotherapy or a comparable qualification. The Board has a policy on 'Comparable Qualifications'.

Persons seeking registration under the Professional Development Programme or Course of Study must successfully complete a final clinical assessment through a Board approved organisation. Organisations currently approved to conduct these assessments during grandparenting are the Australian and New Zealand Society of Jungian Analysts (ANZSJA), New Zealand Association of Psychotherapists (NZAP) and New Zealand Association of Child and Adolescent Psychotherapists (NZACAP).

Interim Psychotherapist Scope of Practice timeframe clarification

During the year, the Board consulted on amending the wording of the Interim Psychotherapist Scope of Practice (IPSP).

The IPSP was designed to protect the public by providing a scope of practice for psychotherapists who have not yet met the following requirements:

1. Completed 900 hours of supervised clinical psychotherapy practice with clients over at least three years with clinical supervision provided by a psychotherapist registered in the Psychotherapist Scope of Practice or Psychotherapist Scope of Practice with Child and Adolescent Specialism; and/or
2. Undergone a personal psychotherapy; and/or
3. Completed a final assessment accredited or set by the Board.

Since registration began in October 2008 the Board has had a clear policy that:

- Acceptance into the IPSP must be for the purpose of achieving registration in either the Psychotherapist Scope of Practice or the Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism.
- Practitioners can only remain in the IPSP for a period of 5 years.

This Board discussed the five-year time limit at length before it was set and maintain that it is both necessary to protect the public and sufficient to be able to meet the requirements to move into either the Psychotherapist Scope of Practice or the Psychotherapist Scope of Practice with Child and Adolescent Specialism. The Board periodically reviews the five-year time limit which remains unchanged since 2008.

To provide a clear transparent process⁶ the Board amended the IPSP to include: Acceptance into the Interim Psychotherapist Scope of Practice is for the purpose of achieving *registration in either the Psychotherapist Scope of Practice or the Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism.*

⁵ see the accreditation section of this report for an update on this progress

⁶ and following consultation

Save for in exceptional circumstances as determined by the Board, practitioners can only remain in the Interim Psychotherapist Scope of Practice for a maximum period of 5 consecutive years.

The 5 year time limit begins from the date of registration and continues uninterrupted.

Other minor amendments were made to the Psychotherapist Scope of Practice and Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism.

The amendments to the Psychotherapists Scope of Practice were largely supported by the profession and stakeholders.

Following this consultation⁷ these Scopes of Practice were amended and published in the New Zealand Gazette on 1st October 2015.

Accreditation

Under section 118(a) of the HPCAA the Board is required to prescribe the qualifications needed for scopes of practice within the profession and, for that purpose, to accredit and monitor educational institutions and degrees and courses or programmes of study.

The Board held an initial accreditation meeting on 31 March 2012. Eight different providers were represented along with representatives from interest groups and associations. All in attendance agreed that a primary goal is for the accreditation process to be affordable and that different modalities and training structures are valued and respected.

An Accreditation Committee was subsequently formed and there have been a number of meetings since. The current Accreditation Committee consists of:

- Miss Brenda Levien
- Ms Carol Shinkfield (Board member)
- Ms Josie Goulding
- Ms Mary Cubitt
- Mr Peter Hubbard
- Ms Suzanne Johnson (Board member)

The first initial accreditation consultation with programme providers for the Tertiary Programmes commenced during the 2014/2015 financial year. In August 2016, a second consultation took place for the Tertiary Programmes; this coincided with the first consultation for the Professional Development Programmes or Courses of Study. Consultations close in November 2016; this work is ongoing.

Registration

Registration provides an assurance to the public that psychotherapists are fit to practise, hold the qualification/s prescribed by the Board and are competent to practise within the scope that they are registered.

The Board's website hosts a public Register which includes names, the qualification used for registration and the registration dates of all psychotherapists www.pbantz.org.nz

⁷ including consultation response documents which outline the rationale for Board decisions

Applications for registration within the reported year

HPCAA section	Scope	Number	Registered	Registered with conditions	Not Registered
15	Interim	16	16	-	-
15	Psychotherapist Scope of Practice	10	10	1	-
15	Psychotherapist Scope of Practice with Child and Adolescent Psychotherapist Specialism	0	0	0	

Annual Practising Certificates (APC)

The HPCAA requires that all practising psychotherapists must hold a current practising certificate, to be renewed annually. Each year psychotherapists must declare that they have maintained their competence and fitness to practise. The purpose of issuing an APC is to provide the Board's certification to the public confirming that the psychotherapist has maintained the standards set by the Board and that they remain both fit and competent to practise as a psychotherapist. If the Board is not satisfied that a psychotherapist has met these standards, then an APC application can be declined.

Applications for Annual Practising Certificates

Total Applications	APCs with conditions	No APC
512	1	-

46 psychotherapists held non-practising status.

4. Competence, fitness to practise, and quality assurance

– Part 3 of the HPCAA

Under section 36(4) of the HPCAA the Board may review the competence of a psychotherapist at any time or in response to a concern regarding their practice. Competence reviews are not punitive and are designed to review, remediate and educate. Competence concerns can be raised by a colleague, patient, employer, the Ministry of Health, ACC and/or the Health and Disability Commissioner.

The Board will undertake initial inquiries into a psychotherapist's competence following a notification or expression of concern regarding competence (reviews are undertaken to ensure that notifications are not frivolous or vexatious). Following consideration, possible outcomes could be no further action, an individual recertification programme is established or a review of a psychotherapist's competence.

Performance

There were no competence reviews completed during this period.

Recertification and continuing competence

After consulting with the profession, stakeholders and the public in 2013, the Board implemented a psychotherapist recertification programme under section 41 of the HPCAA. The Board believes that one of the key elements contributing to the maintenance of competence is participation in continued professional development. The recertification programme was put in place for the 2015-2016 practising year and audited for the first time in 2016. Following this inaugural audit amendments were made to the Recertification Plan template; these amendments were advertised to the profession with the new templates available on the Board's website.

Health/fitness to practise

A physical or mental health problem may impair a psychotherapist's ability to practise safely and endanger clients and the public. Practitioners and employers have a legal obligation to notify the Board if there is any reason to be concerned about a psychotherapist's health or fitness to practise.

During this reporting period there were no new health notifications. The Board is working with a practitioner on an existing health notification under section 45 of the HPCAA.

5. Complaints and discipline

– Part 4 of the HPCAA

Complaints fall into two broad categories: those that allege the practitioner or conduct of a practitioner has affected a health consumer, and those that do not directly involve a health consumer. Under section 64(1) of the HPCAA the Board must promptly forward to the HDC any complaint alleging that the practice or conduct of a health practitioner has affected a health consumer. The HDC may or may not investigate the complaint. The Board is unable to take action on a conduct issue while the HDC is investigating; however the Board can investigate competence or health concurrently.

Notifications or complaints that do not allege that a health consumer has been affected are reviewed on a case-by-case basis. Each notification or complaint is investigated and the Board decides whether it should be handled as a competence, conduct or health issue.

Complaints from various sources and outcomes

The Board did not investigate any new complaints during the timeframe covered by this report. However, new information was provided by a complainant regarding an existing complaint.

Professional Conduct Committee

A Professional Conduct Committee (PCC) investigates complaints that relate to practitioners' conduct.

During the timeframe covered by this report the Board has referred one practitioner to a PCC. This is ongoing.

Health Practitioners Disciplinary Tribunal (HPDT)

The HPDT hears and decides disciplinary charges brought against registered health practitioners. Charges may be brought by a Professional Conduct Committee or the Director of Proceedings of the Health and Disability Commissioner's office.

The Board had no cases before the HPDT during the timeframe covered by this report.

6. Appeals and judicial reviews

Decisions of the Board may be appealed to the District Court or, in some cases, judicial review sought in the High Court.

There were no judicial reviews or appeals during the timeframe covered by this report.

7. Linking with stakeholders

The Board regularly communicates with the public, stakeholders and psychotherapists via the Board's website, newsletters, consultation documents, consultation feedback documents, face-to-face meetings, annual reports and attendance at conferences where appropriate. The Board meets with representatives of the Ministry of Health and attends Ministry consultation meetings where appropriate.

8. Health Regulatory Authorities New Zealand collaborations

Health Regulatory Authorities of New Zealand (HRANZ) is a group made up of all 16 health Responsible Authorities.

This group meets periodically to discuss matters of common interest at both governance and operational levels. The Board continues to support and encourage this collective. This group originated as a response to section 118(j) of the HPCAA.

9. Contact details

All correspondence should be addressed to:

The Registrar
The Psychotherapists Board of Aotearoa New Zealand
PO Box 9644
Wellington 6141

Secretariat:

The Psychotherapists Board is currently supported by two staff (1.6 FTE)
Jacquelyn Manley (Registrar)
Eva Petro (Registration Officer)

The Board's physical address is:

Level 5
22 Willeston Street
Wellington 6011

Telephone: +64 4 918 4727
Email: registrar@pbanz.org.nz
Website: www.pbanz.org.nz

10. Financial statements

Audited accounts

**INDEPENDENT AUDITOR'S REPORT
TO THE READERS OF
PSYCHOTHERAPIST BOARD OF AOTEAROA'S
PERFORMANCE REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

The Auditor-General is the auditor of the Psychotherapists Board of Aotearoa New Zealand (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 performance report of the Board on her behalf.

We have audited the performance report of the Board on pages 1 to 9, that comprise the entity information, the statement of financial position as at 30 September 2016, the statement of financial performance, and statement of movement in equity, statement of cash flows, statement of accounting policies for the year ended on that date and the notes to the performance report that includes accounting policies and other explanatory information.

Opinion

In our opinion the performance report of the Board on pages 1 to 9:

- fairly reflect the Board's:
 - entity information for the year then ended;
 - financial position as at 30 September 2016; and
 - financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Public Sector).

Our audit was completed on 6 December 2016. 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 performance report is 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 performance report. 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 performance report. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the performance report whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Board's performance report 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.

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 performance report; and
- the overall presentation of the performance report.

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

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 a performance report that:

- complies with generally accepted accounting practice in New Zealand; and
- fairly reflect the Board's entity information, financial position, financial performance and cash flows.

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



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

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

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PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

Entity Information

"Who are we?", "Why do we exist?"
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Legal Name of Entity:

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

Type of entity and Legal Basis :

The Psychotherapists Board of Aotearoa New Zealand (the Board) is a body corporate established by the Health Practitioners Competence Assurance Act 2003 (HPCAA) and is a Responsible Authority under that Act.

Entity's Purpose or Mission:

The Board's role is to ensure the implementation of the HPCAA and fulfil the principal purpose as set out in Section 3 and the functions as set out in Section 118 of the HPCAA. The Board has made a commitment to ensure that issues of diversity and equality are valued, upheld and promoted, and underpin all aspects of the Board's work and therefore to being familiar with, and operating according to the principles of natural justice and administrative law: Te Tiriti o Waitangi; Health and Disability Commissioner Act 1994 - Code of Health and Disability Services Consumers' Rights; Health and Disability Services Act 1993; Trans-Tasman Mutual Recognition Act 1997; Health and Safety Work Act 2016; Privacy Act 1993 - Health Information Privacy Code 1994; Human Rights Act 1993.

The Board has been set up to protect the health and safety of members of the public by providing for mechanisms to ensure that health practitioners are competent and fit to practise their professions. The functions of the Board are to:

1. 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;
2. Authorise the registration of health practitioners under this Act, and to maintain a register;
3. Consider applications for Annual Practising Certificates (APCs);
4. Review and promote the competence of health practitioners;
5. Recognise, accredit, and set programmes to ensure the ongoing competence of health practitioners;
6. Consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession;
7. Promote education and training in the profession;
8. Promote public awareness of the responsibilities of the authority; and
9. 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.

Entity structure:

The Board has seven (7) members. Five (5) psychotherapists 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 Board receives its main income from APC Fees paid by registered psychotherapists.

Additional information:

To protect the public, the Board is also responsible for making sure that psychotherapists continue 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 psychotherapists are competent and fit to practise.

Contact details:

Physical Address:

Level 5, 22 Willeston Street, Wellington 6011

Phone:

04 - 9184727

Email:

registrar@pbanz.org.nz

Website:

www.pbanz.org.nz



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF FINANCIAL PERFORMANCE
"How was it funded?" and "What did it cost?"
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Revenue		2016	2015
		\$	\$
	NOTE		
APC Fees		315,602	309,930
Non-Practising Fees		2,900	2,850
Registration Fees		9,400	11,550
Other Revenue		1,487	453
Interest		18,351	26,565
Total Revenue		347,739	351,349
Expenditure			
Board & Committees	1	135,524	182,315
Secretariat	2	206,669	194,281
Total Expenditure		342,193	376,596
Net Surplus/(Deficit)		5,546	(25,247)

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF MOVEMENT IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

		2016	2015
		\$	\$
Equity at beginning of period		460,256	485,503
Net surplus/(deficit) for the period		5,546	(25,247)
Equity at end of period	3	465,801	460,256

The accompanying notes form part of these financial statements



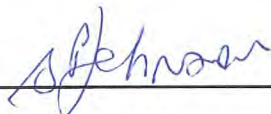
**PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF FINANCIAL POSITION**

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

AS AT 30 SEPTEMBER 2016

	NOTE	2016 \$	2015 \$
Equity	3	465,801	460,256
<hr/>			
Current Assets			
Cash, Bank & Bank deposits		421,615	425,247
Investments		460,000	372,745
Accounts Receivable and prepayments		11,526	16,443
Total Current Assets		893,141	814,435
<hr/>			
Non-Current Assets			
Property, plant and equipment	4	22,976	11,831
Total Assets		916,118	826,266
<hr/>			
Current Liabilities			
Goods and Services Tax		48,535	35,040
Accounts payable and provisions	5	44,097	44,295
Income in Advance	6	357,685	286,675
Total Current Liabilities		450,317	366,010
Total Liabilities		450,317	366,010
Net Assets		465,801	460,256

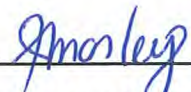
For and on behalf of the Board.



Suzanne Johnson

Board Chair

Dated: 05/12/16



Jacquelyn Manley

Registrar

Dated: 5/12/16

The accompanying notes form part of these financial statements



**PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF CASH FLOWS**

**"How the entity has received and used cash"
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	2016 \$	2015 \$
Cash flows from Operating Activities		
Cash was received from:		
APC fees	386,612	398,130
Non-practising & registration income	13,630	13,283
Other fees	156	1,584
Interest revenue	17,823	10,478
Cash was applied to:		
Board and Committees Expenditure	(134,631)	(187,439)
Secretariat Expenses	(184,277)	(250,581)
Net cash flows from operating activities	<u>99,313</u>	<u>(14,545)</u>
Cash Flows from Investing and Financing Activities		
Cash was applied to:		
Purchase of fixed assets	(19,249)	(14,728)
Short-term investments	(83,696)	70,349
Net Cash Flows from Investing and Financing Activities	<u>(102,945)</u>	<u>55,621</u>
Net Increase / (Decrease) in Cash	<u>(3,632)</u>	<u>41,076</u>
Opening Cash Brought Forward	<u>425,247</u>	<u>384,171</u>
Closing Cash Carried Forward	<u><u>421,615</u></u>	<u><u>425,247</u></u>
Represented by:		
Cash and cash equivalents	421,615	425,247



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
STATEMENT OF ACCOUNTING POLICIES
"How did we do our accounting?"
FOR THE YEAR ENDED 30 SEPTEMBER 2016

BASIS OF PREPARATION

The Board is a body corporate established by the HPCAA 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 Board 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

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.

Depreciation

Depreciation of property, plant & equipment have been assessed based on the useful lives of each asset class.

The following rates have been used:

Computer equipment 50% - 60% diminishing value

Office equipment 20% diminishing value

Office refit 20% straight line method

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.

Employee entitlements

Provision is made in respect of the Board's liability for annual leave at balance date. Annual leave has been calculated on an actual entitlement basis at current rates of pay. No provision is made for sick leave entitlement as this does not accumulate.

Taxation

The Board is exempt from Income Tax.

The Board is registered as a charitable entity under the Charities Act 2005.

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.

Goods & Services Tax

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

Changes in accounting policies

There has been one addition to the depreciation rate of office refit in accounting policies. All other policies have been applied on a consistent basis with those of the previous period.

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	NOTE	2016 \$	2015 \$
1. BOARD & COMMITTEES			
Fees		99,743	118,649
Meeting expenses, training, travel & other		35,782	54,230
Legal, investigation and hearing expense (Discipline)		0	9,436
		<u>135,524</u>	<u>182,315</u>
2. SECRETARIAT			
Audit fees		6,128	6,179
Depreciation & amortisation		7,983	3,805
Occupancy		19,588	14,306
Other costs		31,306	20,953
Personnel & professional fees		141,058	147,481
Printing and stationery		606	1,557
		<u>206,669</u>	<u>194,281</u>
3. EQUITY			
General purpose		346,715	341,169
Discipline reserve		119,087	119,087
		<u>465,801</u>	<u>460,256</u>

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

4.PROPERTY, PLANT & EQUIPMENT

	Opening Carrying account	Purchases	Sales/disposals	Current Year Depreciation and Impairment	Closing carrying Amount
At 30 September 2016					
Computer equipment	11,105	0	120	5,592	5,392
Office equipment	726	9,734	0	1,281	9,179
Office refit	0	9,515	0	1,110	8,405
	<u>11,831</u>	<u>19,249</u>	<u>120</u>	<u>7,983</u>	<u>22,976</u>
At 30 September 2015					
Computer equipment	2,042	12,686	0	3,623	11,105
Office equipment	907	0	0	181	726
	<u>2,949</u>	<u>12,686</u>	<u>0</u>	<u>3,804</u>	<u>11,831</u>

**5.ACCOUNTS PAYABLE &
PROVISIONS**

	2016 \$	2015 \$
Accounts payable	21,293	21,834
Accruals & provisions	9,120	12,490
Employee benefits	13,684	9,972
	<u>44,097</u>	<u>44,295</u>

6.INCOME IN ADVANCE

	2016 \$	2015 \$
APC fees and non-practising fees		
Fees received relating to 2015/2016 year	0	286,675
Fees received relating to 2016/2017 year	357,685	0
	<u>357,685</u>	<u>286,675</u>

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

7.CREDIT CARD FACILITY

There is a visa credit card with \$7,000 limit, held with Westpac.

8.COMMITMENTS

The Board had an agreement with the Occupational Therapy Board of New Zealand for the provision of secretariat services. The provision of services are continuing to be provided at a minimum cost of \$Nil. (2015: \$1,659)

The Board have an agreement with the Nursing Council of New Zealand for the provision of corporate services. The provision of service is continuing to be provided at a minimum annual cost of \$28,773 for an initial period of five years and then on-going until terminated by mutual agreement. The contracted services will be reviewed annually.

	2016	2015
	\$	\$
Due in 1 year	17,547	10,625
Due between 1-2 years	17,547	17,547
Due between 2-5 years	42,113	59,661
	<u>77,208</u>	<u>87,833</u>

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

	2016	2015
	\$	\$
Due in 1 year	11,226	6,797
Due between 1-2 years	11,226	11,226
Due between 2-5 years	26,194	38,168
	<u>48,646</u>	<u>56,192</u>

The figures disclosed above reflect Psychotherapists Board's rent, as currently payable.
The lease agreement is in the name of Nursing Council of New Zealand.

90 The Terrace Wellington

	2016	2015
	\$	\$
Not Later than one year	0	6,347
One to two years	0	0
	<u>0</u>	<u>6,347</u>

The figures disclosed above reflect the Board's portion of rent, as currently payable.
The lease agreement is held by a number of Health Regulatory Authorities which have joint liability.
The full liability as at 30 September 2016 is \$Nil. (2015: \$51,091)



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2016

9.CAPITAL COMMITMENTS

There are no capital commitments at balance date. (2015: \$Nil)

10.CONTINGENT LIABILITIES

There are no contingent liabilities at balance date. (2015: \$Nil)

11.ASSETS HELD ON BEHALF OF OTHERS

There were no assets held on behalf of others during the financial year. (2015: \$Nil)

12.RELATED PARTY TRANSACTIONS

There were no related party transactions involving related parties during the financial year. (2015: \$Nil)

13.EVENTS AFTER BALANCE DATE

There were no events that have occurred after balance date that would have a material impact on the Performance Report. (2015: \$Nil)

14.CORRECTION OF ERRORS

There were no correction of errors at balance date. (2015: \$Nil)

