

Minister of Health
Parliament Buildings
Wellington
New Zealand

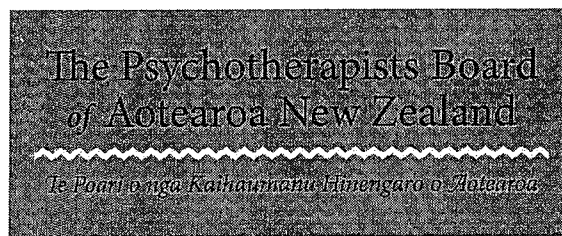
Tuesday, April 13, 2010

Dear Minister

Please find following, in accordance with the Section 134(1) of the Health Practitioners Competence Assurance Act 2003 (HPCA Act) the Psychotherapists Board of Aotearoa New Zealand (the Board) Annual Report, for the year ending 30th September 2009.

Yours sincerely

Mihiteria King
Psychotherapists Board of Aotearoa New Zealand
Te Poari o nga Kaihahumanu Hinengaro o Aotearoa



Psychotherapists Board of Aotearoa New Zealand
Te Poari o nga Kaihaumanu Hinengaro o Aotearoa

Annual Report
September 2009

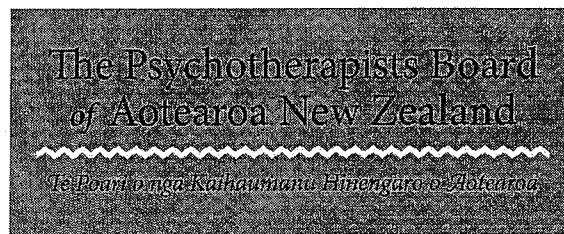
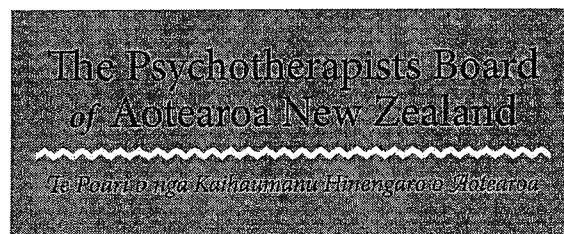


TABLE OF CONTENTS

1. CHAIRPERSON REPORT	4
2. PRINCIPAL PURPOSE OF THE HPCA Act	6
3. STRUCTURE OF THE BOARD	6
4. BOARD MEMBERS	6
5. MEETING DATES	7
6. BOARD VALUES	8
7. COMMUNICATION	8
8. REGISTRATION	8
9. FINANCIAL DIFFICULTIES	9
10. FINANCIAL STATEMENTS	9



1. CHAIRPERSON REPORT

This Annual Report highlights the activities of the Psychotherapists Board of Aotearoa New Zealand (the Board) from 1 October 2008 to 30 September 2009.

It has been another busy year for the Board as we continue to implement the policy and processes required by the Health Practitioners Competency Assurance Act 2003 (HPCAA).

Psychotherapists were regulated under the HPCAA in October 2007 (the only profession to be regulated since the inception of the HPCAA). The Board held its first meeting in Dec 2007, issuing its first Annual Practising Certificates on the 1st October 2008. As of 30th September 2009 there were 502 psychotherapists listed on the Board's Public Register.

I think it is fair to say that this Board is in a developmental phase and that Board members look forward to the time when the groundwork associated with setting up a Board and implementing the functions of the HPCAA are established enough to enable a shift towards a Board Governance model.

The Board's principal purpose under the HPCAA is to protect the health and safety of members of the public by ensuring that psychotherapists are fit and competent to practise their profession. To achieve this, the Board continue to develop and refine process and policy to ensure standards are set at the appropriate level and are met by practitioners.

Following on from gazetting Psychotherapist Scopes of Practice and qualifications for registration, the Board's focus shifted to registering practitioners and issuing annual practising certificates, developing clinical competencies and ethical standards of practice, all a requirement under Section 118 (i) of the HPCAA. During this period the Board also focused on ensuring financial viability.

The Board has considerable work ahead as it continues to implement the HPCAA. The tasks that have been identified and included in the Board's strategic plan include developing and implementing an accreditation and recertification processes, cultural competencies, establishing and training a pool of practitioners and laypersons to provide assessment and review for competency review panels and professional conduct committees.

The Board would like to thank and acknowledge Health Regulatory Authorities of New Zealand (HRANZ) a group of regulatory authorities that also fall under the HPCAA. HRANZ's collective knowledge, expertise and experience continue to be of benefit to this Board. Special mention is given to the Occupational Therapy Board of New Zealand (OTBNZ). The OTBNZ team has provided valuable guidance, support and assistance to our Registrar during this time. I have to acknowledge that our Board would have struggled without this level of support and we are most grateful for the generosity and consideration given to our Board by the staff and Board members of OTBNZ.

It is accepted that Boards face challenges (especially at inception) in meeting the complexities and obligations of the HPCAA. However, members bring their own unique skills, expertise and wisdom to the collective and they naturally take on extra roles on committees and working parties; this being over and above their normal workload. I have been impressed with the integrity and diligence that our Board members have brought to these roles and responsibilities and especially in how they have met and resolved the challenges faced. I sincerely thank my fellow Board members for their continued hard work and commitment to the Board, the public and the profession, and for their support for me as Chair for 2009.



Another incredibly important person who deserves acknowledgement is the Board's Registrar, Jacquelyn Manley. She is most often the 'face' of the Board, providing the important link between Board, practitioners, stakeholders and the public in general. Jacquelyn holds this role with competence and confidence, tirelessly engaging with the utmost respect and integrity. She is a great asset to the Board and she also has been of great support to me in my role as Chair. I consider that this incredible contribution of Board members and our Registrar has enabled the Board to achieve so much in such a very short period of time.

I am also grateful to the associations and individual practitioners who have contributed to the Board's work through working parties, consultations and general support of the Board's existence. Given the profession has for many years relied on the professional associations to set standards, assess practitioners for membership and oversee ongoing professional development and integrity, it has been a steep learning curve for the profession to make way for the Board to undertake those roles and responsibilities under the HPCAA. There is now an obvious shift in who is responsible for what and although both entities hold the public health and safety as primary considerations, this change frees up professional associations to reconsider their strategic plans in the absence of being responsible for overseeing the competency and fitness of the profession to practise and any subsequent disciplinary processes.

Finally, I share a whakatauki that expresses the Board members sentiments in how we approach our responsibilities under the Act:

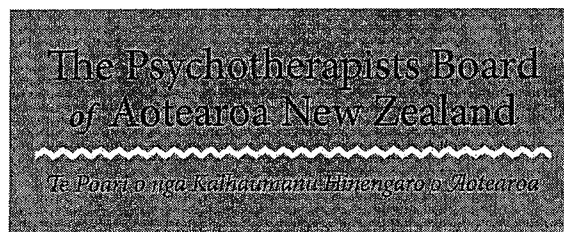
Kia u i te whakapono me aroha, te tahi ki tetahi.

Hold fast to the truth with respect for each other.

Naku noa,

Chair

Psychotherapists Board of Aotearoa New Zealand
Te Poari o nga Kaihaumanu Hinengaro o Aotearoa



2. PRINCIPAL PURPOSE OF THE HPCA Act

The principal purpose of the Health Practitioners Competence Assurance Act 2003 is to protect the health and safety of the public by providing for mechanisms to ensure that health practitioners are competent and fit to practice their professions.

Functions are described in section 118 of the HPCA Act:

- 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 review and promote the competence of health practitioners;
- d) to recognise, accredit, and set programmes to ensure the ongoing competence of health practitioners;
- e) to receive and act on information from health practitioners, employers, and the Health and Disability Commissioner about the competence of health practitioners;
- f) 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;
- g) to consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession;
- h) to liaise with other authorities appointed under this Act about matters of common interest;
- i) to promote education and training in the profession;
- j) to promote public awareness of the responsibilities of the authority;
- k) 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.

3. STRUCTURE OF THE BOARD

The Minister of Health appoints Board Members as individuals rather than as representatives of organisations, for a term of up to 3 years in accordance with section 120-122 of the Health Practitioners Competence Assurance Act 2003.

The Chairperson and Deputy Chairperson are appointed by the Board at its first meeting of each year.

Fees Paid to Board Members

Board Chairperson \$90.00 per hour

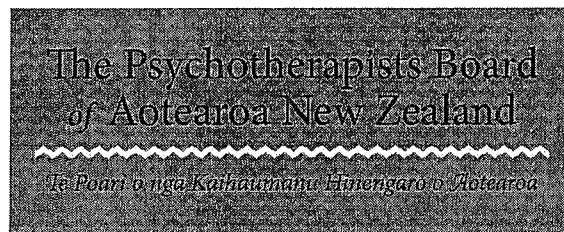
Board members \$80.00 per hour

Fees are paid to members for all "pre approved" work undertaken on behalf of the Board.

4. BOARD MEMBERS

Appointment Date

Mihiteria King	Chairperson	October 2007
Gordon Hewitt	Deputy Chair	October 2007
Andrew Duncan	Board Member	October 2007
Trish Hanlen	Lay Board Member	October 2007
Sue Ineson	Lay Board Member	October 2007
Chris Milton	Board Member	October 2007
Carol Shinkfield	Board Member	October 2007



Mihiteria King (Te Rarawa, Ngati Pikiāo) is a Psychotherapist, Research Clinician and trainer in Auckland. She has worked in a variety of services that include Maori Mental Health Services, Maori Social Services, Liaison Psychiatry, and Adult Community Mental Health Services, University of Auckland (FMHS) and Auckland University of Technology (School of Psychotherapy).

Gordon Hewitt is a Psychotherapist and trainer of Transactional Analysis Psychotherapists in Wellington. In his original career, he has lectured in genetics and evolutionary biology. He was Head of Health Sciences at the Central Institute of Technology setting up counselling and Psychotherapy courses, and is a Past President of the International Transactional Analysis Association.

Andrew Duncan has over 30 years experience as a Psychoanalytic Psychotherapist, supervisor, group therapist, couples and family therapist. Andrew is a pakeha New Zealander. He had a leadership role in the development of the MHSc in Psychotherapy at AUT, He worked at AK Family Counselling and Psychotherapy Centre and was on the exec for seven years and was Treasurer of NZAP for four years. Andrew is committed to the profession of psychotherapy.

Trish Hanlen, (MNZM) is a Lay Board Member and has a background in the voluntary sector and social work management. Trish has serviced on the NZ Association of Citizens Advice Bureau Board (Chair); NZ Psychologists Board; North Region Health Ethics Committee and many years as an Executive Member of Bay of Plenty Aotearoa NZ Association of Social Workers. Trish is Director of Social Work for the University of Waikato.

Sue Ineson is a Lay Board Member who has worked in the health sector for over 15 years, and been involved in the delivery of health services when she was Executive Director of the Family Planning Association and in the regulatory sector when she was CEO of the Medical Council. Currently Sue works as a consultant in health and regulation and is a Board member for several groups and sits on Tribunals.

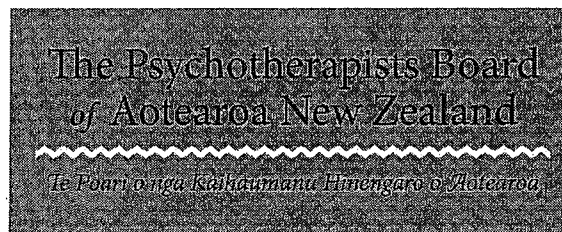
Chris Milton is a Jungian Psychoanalyst and Clinical Psychologist. Chris is the secretary of the Australian and New Zealand Society of Jungian Analysts (ANZSJA) and serves on the editorial Board of the Indo-Pacific Journal of Phenomenology. Apart from his clinical work, he has taught, examined and supervised in psychiatry, clinical psychology, psychoanalysis and analytical psychology in both institute and university settings.

Carol Shinkfield is a Child & Adolescent Psychotherapist with over 20 years experience working therapeutically with children, adolescents and their families. She is also the programme leader for the Graduate Diploma in Child Mental Health and the Master of Health Science specializing in Child Psychotherapy at AUT and has taught on the Programme for nine years.

5. MEETING DATES

Agendas and supporting papers are prepared for each Board meeting and minutes record the proceedings of the meetings. A quorum of 4 Board members, including at least one member who is a layperson, is required for Board to transact business. All members are required during meetings to declare any conflicts of interest with agenda items.

There were 7 Board meetings held between the 1st October 2008 and the 30th September 2009.



2008	October 19 th and 20 th	Board Meeting
2008	December 1 st and 2 nd	Board Meeting
2009	February 15 th and 16 th	Board Meeting
2009	April 19 th and 20 th	Board Meeting
2009	June 1 st	Board Meeting
2009	June 28 th	Board Meeting
2009	July 24 th	Board Meeting

6. BOARD VALUES

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
- The Treaty of Waitangi 1840
- Health and Disability Commissioner Act 1994
- Code of Health and Disability Services Consumer Rights 1996
- Health and Disability Services Act 1993
- Privacy Act 1193 – Health Information Act 1197
- Human Right Act 1993

7. COMMUNICATION

The Board is committed to engaging in open communication with all stakeholders. Regular Newsletters are compiled to update the profession, stakeholders and interested parties with the Board's progress and intentions.

During the 2008/2009 year four newsletters were sent out. The Board also consulted on Psychotherapist Student Scopes of Practice, Psychotherapist Fees, and Psychotherapist Clinical Competencies (twice). Where possible the Board also met with organisations and stakeholders.

Brief summary of communications:

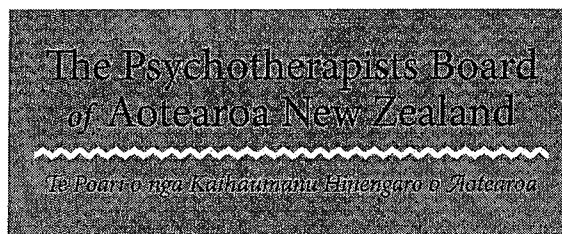
- Newsletters: November 2008, February 2009, May 2009 and August 2009
- Annual Report 2008
- Consultation documents on a student psychotherapist scope of practice, clinical competencies, increase in the Annual Practising Certificate fee
- Consultation response document to explain Board's decision to increase the Annual Practising Certificate fee
- A hui was held in July and the Board attended or held stakeholder meetings in April and November 2009
- The Board website is regularly updated and contains policy and public documents.

8. REGISTRATION

Under section 11 of the HPCA Act 2003 Psychotherapists Board of Aotearoa New Zealand has authorised three (3) Psychotherapist Scopes of Practice. These were published in the New Zealand Gazette on the 4th September 2008 as follows:

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

The Psychotherapists Board of Aotearoa New Zealand has developed two pathways to registration; the Tertiary Pathway and the Professional Development Pathway.



The Board has grandparented some acceptable qualifications (on the Tertiary Pathway) until March 2012.

Persons seeking registration under the Tertiary Pathway must hold a master level qualification in psychotherapy or a comparable qualification. The Board has a "comparable qualifications" policy.

Persons seeking registration under the Professional Development Pathway must have completed an "initial" and "final" assessment as approved by the Board. Organisations currently approved to conduct these assessments during grandparenting are NZAP, NZACAP and ANZSJA.

Psychotherapist Registration commenced on the 1st October 2008.

Requirements for Registration

Psychotherapists applying for a scope of practice must meet the following requirements:

- * Demonstrate competence in the scope they are applying for
- * Hold a prescribed qualification for the relevant scope
- * Meet the fitness for registration requirements as listed under section 16 of the HPCAA.

Registration Figures 1st October 2008 – 30th September 2009

502 Registered Psychotherapists

26 Registered, non practising psychotherapists

9. FINANCIAL DIFFICULTIES

The Board Auditors highlighted the need for APC increase in the 2007-2008 audit report "Given the Board's negative equity position, the Board has decided to implement a fee increase that will reduce its reliance on loan funding and enable it to continue to meet its obligations as they fall due. In light of this, the Board has determined that the use of the going concern assumption is appropriate".

The Board consulted on an APC fee increase, this consultation received a wide range of feedback. The Board reviewed and discussed all the comments in great details prior to concluding that a fee increase would need to take place. The Board provided a consultation response document to explain the need to increase the psychotherapist APC Fee "practitioner fees are the only source of income generated by a Board. The Board must set fees at a level to recover operating costs. Current fee levels are not covering operational costs. This means that current practitioner fees are too low and must be increased to cover the costs of practitioner regulation". As a result the Psychotherapists APC fee increased for the years starting 1st October 2009.

10. FINANCIAL STATEMENTS

The Board's auditor is the Auditor-General. The Auditor-General has appointed Paolo Ryan, using the staff and resources of PKF Martin Jarvie, to carry out the audit. The Audit Report issued on 15th March 2010 follows, together with the financial statements.

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

CONTENTS:	PAGE
Statement of Financial Performance	1
Statement of Movements in Equity	1
Statement of Financial Position	2
Statement of Accounting Policies	3
Notes to the Financial Statements	4 - 5
Audit report	6 - 8

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 SEPTEMBER 2009

	NOTE	2009 \$	2008 \$
Revenue			
Ministry of Health Service Contract		-	60,000
Annual Practising Certificate Fees		256,800	-
Registration Fees		146,000	4,250
Other Revenue		108	2,000
Interest		4,765	107
Total Revenue		<u>407,673</u>	<u>66,357</u>
Expenditure			
Governance	1	131,695	108,604
Secretariat administration	2	147,243	75,550
Total Expenditure		<u>278,938</u>	<u>184,154</u>
Net (Deficit)/Surplus		<u>128,735</u>	<u>(117,797)</u>

STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2009

	2009 \$	2008 \$
Equity at beginning of period	(117,797)	-
Net surplus/(deficit) for the period	<u>128,735</u>	<u>(117,797)</u>
Total recognised Revenues and Expenses for the period	<u>10,938</u>	<u>(117,797)</u>
Equity at End of period	<u>10,938</u>	<u>(117,797)</u>



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2009

	NOTE	2009 \$	2008 \$
Equity		<u>10,938</u>	<u>(117,797)</u>
Current Assets			
Cash, Bank & Bank deposits		463,485	16,837
Accounts Receivable		2,335	67,542
Total Current Assets		<u>465,820</u>	<u>84,379</u>
Non-Current Assets			
Property, plant & equipment	3	524	1,309
Intangible assets	4	4,800	5,000
Total Non-Current assets		<u>5,324</u>	<u>6,309</u>
Total Assets		<u>471,144</u>	<u>90,688</u>
Current Liabilities			
Goods and Services Tax		38,322	4,677
Accounts payable and provisions	5	42,455	120,008
Loans	6	45,000	75,000
Income in Advance	7	334,429	8,800
Total Current Liabilities		<u>460,206</u>	<u>208,485</u>
Total Liabilities		<u>460,206</u>	<u>208,485</u>
Net Assets		<u>10,938</u>	<u>(117,797)</u>

For and on behalf of the Board.

M. King

Board Chair
Dated: 15.3.10.

J. Manley
Registrar
Dated: 15/03/10.

The accompanying notes form part of these financial statements



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 SEPTEMBER 2009

BASIS OF PREPARATION

The Psychotherapists Board is a body corporate established under the Health Practitioners Competence Assurance Act 2003 and is a Responsible Authority under that Act. The Board is a reporting entity for the purposes of the Financial Reporting Act 1993 and its financial statements comply with 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 is an entity qualifying for differential reporting exemptions as it has no public accountability and is not large as defined by the Framework for Differential Reporting. The Board has taken advantage of all differential reporting exemptions.

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 is charged at rates permitted under the Income Tax Act 2007. The following rates have been used:

Computer equipment	60%	diminishing value
--------------------	-----	-------------------

Intangible Assets

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

Amortisation

Intangible assets are amortised over the period of benefit to the Board at the following rate:

Website/Database	5 Years
------------------	---------

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 entity is deemed a public authority and is exempt from taxation pursuant to Section CW 38 (2) of the Income Tax Act 2007.

Income recognition

Fees received for the issue of annual practising certificates and non-practicing fees are recognised in the year to which the fees relate. All other fees are recognised on receipt.

Goods & Services Tax

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 have been no changes in accounting policies. All policies have been applied on a consistent basis with prior years.



PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2009

	NOTE	2009 \$	2008 \$
1. GOVERNANCE			
Costs relating to Board meetings & other activities			
Fees		102,740	86,860
Meeting expenses, travel & accomodation		28,955	21,744
		<u>131,695</u>	<u>108,604</u>

2. SECRETARIAT			
Administration of the Board secretariat			
Audit fees		3,505	2,000
Depreciation & amortisation	8	1,785	-
Interest		6,598	2,159
Occupancy		19,050	9,500
Other costs		20,271	2,296
Personnel & Professional fees		94,721	52,278
Printing and Stationery		1,313	7,317
		<u>147,243</u>	<u>75,550</u>

	2009 \$	2008 \$
3. PROPERTY, PLANT & EQUIPMENT		
At 30 September 2009		
Computer equipment	<u>1,309</u>	<u>1,309</u>
	<u>1,309</u>	<u>1,309</u>

4. INTANGIBLE ASSETS

At 30 September 2009		
Website/Database	<u>5,800</u>	<u>5,000</u>
	<u>5,800</u>	<u>5,000</u>

	2009 \$	2008 \$
5. ACCOUNTS PAYABLE & PROVISIONS		
Accounts payable	22,775	110,617
Accruals & provisions	10,848	6,229
Employee benefits	8,831	3,162
	<u>42,455</u>	<u>120,008</u>

PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2009

	2009 \$	2008 \$
6. LOANS		
Unsecured loans repayable within one year		
NZ Association of Psychotherapists Inc	45,000	65,000
NZ Association of Psychotherapists Wellington Branch Inc.	-	5,000
NZ Association of Counsellors Inc.	-	5,000
	<u>45,000</u>	<u>75,000</u>
7. INCOME IN ADVANCE		
Fees received relating to 2009/2010 year		
Annual Practising Certificate fees and Non-practising fees	<u>334,429</u>	<u>8,800</u>
8. DEPRECIATION & AMORTISATION		
Depreciation of Property, Plant and Equipment	785	-
Amortisation of Intangible Assets	<u>1,000</u>	<u>-</u>
	<u>1,785</u>	<u>-</u>
9. COMMITMENTS		
Commitments under memorandum of understanding with the Occupational Therapy Board for shared office facility.		
Not Later than one year	-	9,500
Later than one year	<u>-</u>	<u>-</u>
	<u>-</u>	<u>9,500</u>
10. CAPITAL COMMITMENTS		
There are no capital commitments at balance date. [2008 \$Nil]		
11. CONTINGENT LIABILITIES		
There are no contingent liabilities at balance date. [2008 \$Nil]		
12. RELATED PARTY TRANSACTIONS		
There were no transactions involving related parties during the year other than those disclosed in the financial statements.		
13. EVENTS AFTER BALANCE DATE		
There were no events that have occurred after balance date that would have a material impact on these financial statements.		
14. TRANSITION TO NZ IFRS		
In December 2002 the New Zealand Accounting Standards Review Board announced that New Zealand International Financial Reporting Standards ("NZ IFRS") will apply to all New Zealand reporting entities for the periods commencing on or after 1 January 2007.		

The Financial Reporting Standards Board has determined that for certain entities who meet the criteria there would be a delay in the mandatory adoption of NZ IFRS until further notice. The Board meets these criteria and intends to defer implementation of NZ IFRS.



AUDIT REPORT

**TO THE READERS OF
PSYCHOTHERAPISTS BOARD OF AOTEAROA NEW ZEALAND'S
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009**

The Auditor-General is the auditor of the Psychotherapists Board of Aotearoa New Zealand's (Board). The Auditor-General has appointed me, Paolo Ryan, using the staff and resources of PKF Martin Jarvie, to carry out the audit of the financial statements of the Board, for the year ended 30 September 2009.

Unqualified Opinion

In our opinion, the financial statements of the Board on pages 1 to 5:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Board's financial position as at 30 September 2009; and
 - the results of its operations for the year ended on that date.

The audit was completed on 15 March 2010, and this is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Members of the Board and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's 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.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.



Accountants &
Business Advisers

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Members of the Board and the Auditor

The Members of the Board are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Board as at 30 September 2009 and the results of its operations for the year ended on that date. The Members of the Board's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This 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 Institute of Chartered Accountants of New Zealand.

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

Paolo Ryan
PKF Martin Jarvie
On behalf of the Auditor-General
Wellington, New Zealand



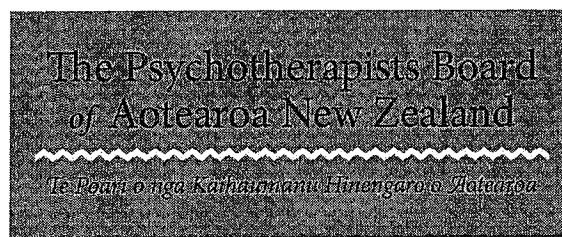
Accountants &
Business Advisers

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit report relates to the financial statements of the Psychotherapists Board of Aotearoa New Zealand (Psychotherapists Board) for the year ended 30 September 2009 included on the Psychotherapists Board's website. The Psychotherapists Board is responsible for the maintenance and integrity of the Psychotherapists Board's website. We have not been engaged to report on the integrity of the Psychotherapists Board's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements as well as the related audit report dated 15 March 2010 to confirm the information included in the audited financial statements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.



CONTACT THE BOARD

Psychotherapists Board of Aotearoa New Zealand
Berl House
Level 8
108 The Terrace
Wellington 6143
New Zealand

The Registrar
Psychotherapists Board of Aotearoa New Zealand
PO Box 10-787
The Terrace
Wellington 6143

Jacquelyn Manley
Registrar
Tel: 04 918 4727
Fax: 04 918 4746
Email: registrar@pbanz.org.nz
Web: www.pbanz.org.nz