

**NEW SOUTH WALES
OSTEOPATHS
REGISTRATION BOARD**

**ANNUAL REPORT FOR THE YEAR ENDED
30 JUNE 2007**



NEW SOUTH WALES

OSTEOPATHS REGISTRATION BOARD

PO BOX K599
HAYMARKET NSW 1238
Australia
Level 6, 477 Pitt Street Sydney NSW 2000
Telephone: 02 92190233
Facsimile: 02 92812030
E-mail: osteoreg@doh.health.nsw.gov.au
Internet: <http://www.osteoreg.health.nsw.gov.au>

The Hon Reba Meagher MP
Minister for Health
Level 31, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister,

Pursuant to the provisions of the *Annual Reports (Statutory Bodies) Act 1984* and the *Public Finance and Audit Act 1983*, we have pleasure in submitting this Annual Report of the New South Wales Osteopaths Registration Board for the year ended 30 June 2007 for presentation to Parliament.

Yours faithfully

Robert Fendall
PRESIDENT

Kim Stewart
Board Member

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1. Charter

The Osteopaths Registration Board is established pursuant to the provisions of the *Osteopaths Act 2001* (the Act) to exercise the powers, authorities, duties and functions imposed on it by the Act.

2. Aims and Objectives

The Board has the following objectives:

- protect the health and safety of the public by providing mechanisms to ensure that osteopaths are fit to practise
- maintain the Register of appropriately qualified osteopaths
- maintain a high standard of osteopathic practice within a registration system, by ensuring that practitioners meet minimum competence and practice standards
- contribute to the aim of NSW Health to provide a sustainable health system for the people of NSW

Within these aims and objectives its role is to:

- grant, suspend or cancel registration, annul such suspension or cancellation and apply practice conditions as appropriate
- recommend the courses of study and training to be undertaken as acceptable qualifications for registration
- maintain a code of professional conduct and relevant guidelines, to ensure observance of ethical best practice in respect of the public and the profession
- undertake inquiries into professional conduct, osteopathy care, practitioner impairment and other complaints and reportable issues, by way of Board inquiries, Osteopathy Care Assessment Committees, Impaired Registrant Panels and other resolution procedures
- achieve compliance with the legislation
- advise the Minister for Health on matters relating to registration, standards of practice and other matters arising under the Act or Regulations.

3. Access

The Board is located at the following address:

Level 6
477 Pitt Street
Sydney NSW 2000

Correspondence
PO Box K599
HAYMARKET NSW 1238

Telephone: 02 9219 0233
Facsimile: 02 9211 9318

E-mail: osteoreg@hprb.health.nsw.gov.au
Website: www.osteoreg.health.nsw.gov.au

Hours 8.30 a.m. – 5.00 p.m. Monday to Friday
Cashier services close at 4.30 p.m.

4. Management and Structure

4.1 Board Membership

Seven members of the Board are nominated by the Minister for Health and appointed by the Governor pursuant to section 87 of the *Osteopaths Act 2001*, from 19 December 2005 Board membership was as follows:

- One is an officer of the Department of Health or an employee of an area health service, statutory health corporation, or affiliated health organisation within the meaning of the Health Services Act 1997, pursuant to section 87(2)(a) of the Act

Ms Kim Stewart

- Two are registered osteopaths nominated from a panel of osteopaths nominated by the Australian Osteopathic Association, New South Wales, and such other bodies representing osteopaths as may be determined by the Minister, pursuant to section 87(2)(b) of the Act

Mr Robert Fendall **President**

Ms J. Louise Adam

- One is a registered osteopath involved in the tertiary education of persons for qualification in NSW as osteopaths, pursuant to section 87(2)(c) of the Act

Mr Raymond Blaich

- One is a registered osteopath of the Minister's own choosing, pursuant to section 87(2)(d) of the Act

Ms Jennifer Paull

- One is a person (not being a registered osteopath) to represent the community, pursuant to section 87(2)(e) of the Act

Professor Christine Ewan

- One is a legal practitioner, pursuant to section 87(2)(f) of the Act

Ms Karen Stott

4.2 Attendance at Meetings

During the reporting period the Board met on 9 occasions, usually meeting on the third Monday of each month.

NAME	ATTENDANCE
Mr Robert Fendall	9
Ms J Louise Adam	8
Mr Raymond Blaich	8
Prof Christine Ewan	7
Ms Jennifer Paull	9
Ms Kim Stewart	6
Ms Karen Stott	7

The Board did not meet in October 2006, or January and April 2007.

4.3 Remuneration of Part-time Members of Board and Committees

	Current fee
	\$
Chairperson	2266.00 p.a.
Members	1700.00 p.a.

4.4 Human Resources

Acting Registrar Ms Jennifer Caldwell
Assistant Registrar Ms Corinne Warby

4.5 Membership of Board Committees and Tribunal

4.5.1 Osteopaths Tribunal

In accordance with Section 99 of the *Osteopaths Act 2001* an Osteopaths Tribunal is to be constituted to deal with a matter referred to it or an appeal or application made to it under the Act. Pursuant to section 100(1) of the *Osteopaths Act 2001* the following legal practitioners were appointed;

From 3 May 2006 (for a 3 year term)
Ms Carolyn Huntsman (Chairperson)
Ms Phillipa Gormly (Deputy Chairperson)
Mr Hans Heilpern (Deputy Chairperson)
Ms Joanne Muller (Deputy Chairperson)
Ms Kate Munro (Deputy Chairperson)
Mr Cedric Vass (Deputy Chairperson)

4.5.2 Osteopaths Impairment Panel

Section 63 of the Act provides that the Board may refer any matter to an Impairment Registrants Panel if the Board considers that the matter indicates that a registered osteopath suffers from an impairment. A panel comprises of two people, at least one of whom is a registered osteopath. Sections 63 – 74 and 96 – 98 of the *Osteopaths Act 2001* outline the provisions relating to the operation of a Panel.

4.5.3 Osteopaths Care Assessment Committee

Four members are appointed by the Minister for Health to the Osteopaths Care Assessment Committee pursuant to section 94 of the *Osteopaths Act 2001*. The following were appointed for a four-year term commencing on 23 June 2003;

Mr James Harrison	section 94(2)(a)
Mr Michael Mulholland-Licht	section 94(2)(b)
Ms Christine McColl	section 94(2)(b)
Ms Sandra Everett	section 94(2)(c)

4.5.4 Section 89 Committees

The Board establishes committees to assist it in connection with the exercise of any of its functions in accordance with section 89 of the *Osteopaths Act 2001*. The following committees provided the Board with advice and assistance during the reporting period.

COMPLAINTS SCREENING COMMITTEE

The provisions of both the Act and the *Health Care Complaints Act 1993*, require the Board and the Health Care Complaints Commission (HCCC) to advise each other of complaints received and consult concerning resolution.

The Board's Complaints Committee assists by considering complaints (regarding alleged contraventions of the Act or Regulation) lodged with the Board. The Committee has the delegated authority of the Board to make decisions regarding complaints.

The Board appointed the following to the Committee:-

Mr Robert Fendall	(Chairperson)
Ms Louise Adam	
Ms Karen Stott	

EDUCATION COMMITTEE

The function of the Committee is to advise the Board of any issues submitted to it by the Board impinging on, or relating to osteopathic education, including entry-level, post-graduate and continuing professional education. In particular the Committee: -

1. Advises the Board concerning criteria for assessment of education courses submitted to the Board for consideration of recognition for registration under section 8(1)(b) of the *Osteopaths Act 2001*;
2. Arrange inspections of education institutions as proposed by the Board, and applies such criteria to advise the Board of the Committee's opinion as to approval or disapproval, and any contingencies that may be placed thereon;

3. Advises the Board concerning recommendations of accreditation bodies for consideration of recognition for registration under section 8(1)(c) of the *Osteopaths Act 2001*;
4. In consultation with appropriate educational authorities in New South Wales, assists in the development of an entry-level course, or courses, in osteopathy, which will satisfy the Board's requirements.

The Education Committee of the Osteopaths Registration Board consists of such members of the Board appointed by the Board, a nominee of the Australian Osteopathic Association (NSW), two nominees of the University of Western Sydney, and a senior academic not directly involved in osteopathic education appointed by the Board. The Chairperson shall be appointed by the Board and shall be a member of the Board.

The Committee may at its discretion take action to raise issues relevant to osteopathic education, and submit those issues and its comments to the Board.

The Board appointed the following to the Committee:-

Mr. Robert Fendall (Chairperson)
Mr Raymond Blaich
Mr Nicolas Lucas
Ms Jennifer Paull
Ms Elizabeth Peter
Prof. Alex Radloff
Mr. Scott Read
Ms Karen Stott

POLICY COMMITTEE

The Policy Committee comprises of members of the Board and nominees of the Australian Osteopathic Association and University of Western Sydney and provides advice concerning policy development in the following areas;

- o Advertising Guidelines
- o Competence
- o Making and keeping of records
- o Professional Boundaries
- o Professional Conduct

The Board appointed the following to the Committee:-

Ms Louise Adam (Chairperson)
Ms Rebecca Izard
Mr Michael Mulholland-Licht
Ms Kim Stewart
Ms Karen Stott

5. Summary Review of Operations

5.1 Registration Statistics

The Board maintained the Register of Osteopaths as required under the provisions of Schedule 1 Part 4 Clause 21(1) of the *Osteopaths Act 2001*. During the year the Board approved registration within the following provisions;

	<i>As at 30/06/06</i>	<i>As at 30/06/07</i>
Registered osteopaths	526	546
Applications		125
Re-Registrations		12
Provisional Registrations		21
Mutual recognition		11
Trans-Tasman Mutual Recognition		3
Additional qualifications		0
Temporary Registration		78

5.2 Fees

The schedule of fees charged for the Board's services were as follows:

Registration		
Application for Registration:		\$300.00
Application for Temporary Registration:		\$300.00
Annual Registration:		
Osteopath Only:		\$285.00
Chiropractor and Osteopath (<i>registered on 1/8/02</i>)		\$200.00
Re-Registration:		
Osteopath Only		
Under three months unregistered		\$285.00
Over three months unregistered		\$570.00
Chiropractors and Osteopaths		
Re-registration osteopath unfinancial under three months		\$200.00

5.3 Appeals Against Decisions Of The Board Regarding Registration

There were no appeals lodged against a decision of the Board, pursuant to Section 17 of the Act.

5.4 Australasian Conference of Osteopaths Registration Boards (ACORB)

A delegation from the Board, Mr. Robert Fendall (President), Ms Jennifer Paull, Mr Raymond Blaich and the Acting Registrar Ms Jennifer Caldwell attended the 2006 ACORB meeting that was held in Adelaide, on Sunday 24 September 2006, hosted by the Chiropractic and Osteopathy Board of South Australia.

ACORB has established Taskforce Committees to develop, monitor and maintain national standards in the accreditation of Board recognised tertiary osteopathy courses.

The conference inter alia resolved for the Accreditation Taskforce Committee to continue working on national standard objectives.

5.5 Accreditation

5.5.1 University of Western Sydney Osteopath Program

The University of Western Sydney (UWS), after initially suspending intake into the Osteopathic program for 2 years commencing October 2004, advised the Board in December 2005 that it would not continue to offer the Bachelor of Applied Science (Osteopathic Studies) or Master of Osteopathy. The University has since developed a teach-out strategy for students who were enrolled prior to suspension of the course and appointed an Associate Head of School, A/Prof Helen Ledwidge to monitor the teach out phase of the Osteopathy and Podiatry Programs.

The Board conducted the last accreditation assessment of the osteopathy program at UWS in August 2006. The Board considered the Report of the Accreditation Team and the University's response to the report at its meeting of 20 November 2006.

Whilst the Board acknowledged the thoroughness of the University's response and the vast improvements made within the Osteopathy Program, the Board advised that it must support the recommendations of the Assessment Team and grant accreditation for a period of one year. The principal reason for the decision is due to the course undergoing a teach-out phase. Under these circumstances the Board advised that the variables of a teach-out phase would not allow the Board to grant accreditation beyond one year in the interests of public safety.

The Board considered the points raised in the University's response regarding the current standard of the Osteopathy Program and resolved to conduct a revised accreditation assessment process in 2007. The Board advised that the 2007 accreditation assessment would focus on the Accreditation Policy Standards that relate most directly to areas the Board considers to be of vulnerability under the teach-out phase.

The Board resolved to adopt the following recommendations and requirements of the Accreditation Assessment Team for the accreditation assessment conducted in August 2006:

(Suggest change font size or use italics/numbering to separate this section as quoted data from the Team).

That the Bachelor of Applied Science (Osteopathic Studies) and the Master of Osteopathy programs in the School of Biomedical and Health Sciences at the University of Western Sydney be granted full accreditation for 2007 only.

Rationale:

The Board based its decision on the following:

- o A large number of issues raised in previous Reports have been addressed*
- o There are still concerns about the provisions for the large cohort about to commence the Masters program.*
- o Physical resources to cater for this are still to be evidenced.*

Requirements:

The University undertake the following requirements in order to receive accreditation for 2007:

- *Hold biannual External Advisory Committee meetings.*
- *Organise an urgent meeting between the Australian Osteopathic Association's Executive Director, A/Prof Ledwidge (Associate Head of School), Ms Elizabeth Peter (Clinical Director), and the Clinic Co-ordinator(s) to clarify roles and responsibilities with respect to the Chatswood clinic. The meeting should address management of the large cohort in 2007 marketing and support, OH&S induction and student experience of the administrative side of running a clinic as well as other issues that may arise from the discussions. The Assessment Team recommends the University report back to the Board on the actions taken from these meetings. (Suggest this item of the report omits names and includes job titles only)*
- *Develop a plan for the management of the clinic at the end of the teach-out phase in relation to the community service that the clinic has provided.*
- *Develop an action plan to address the large cohort entering the Masters Program in 2007 that includes physical space, confirmation of numbers of students in the cohort, management of staffing, clinic patient numbers, and employment of suitably experienced clinicians.*
- *Develop a strategy to address resources planning for the teach-out phase, such as equipment and patients.*
- *Supply evidence of how it is addressing each of the issues raised in Standards 11,12,15,16 & 19 of the 2004 ACORB Accreditation Policy.*

The Board noted there was some confusion regarding documentation requested by the Assessment Team, as the University believed that it had been previously provided. The Board discussed the matter with the Head of Program and the Clinical Director and it was agreed that University staff involved with the compilation of the accreditation documentation meet with Ms Jennifer Paull (Board member and Assessment Team member) and the Acting Registrar to gain a better understanding of the necessary documentation required for the accreditation process. The meeting took place in February 2007.

The Board is scheduled to conduct an accreditation assessment of the UWS osteopathy program in July 2007.

5.5.2 New course at Southern Cross University

In December 2005 the Board received advice from Southern Cross University that a Bachelor of Clinical Sciences has been approved by the University. The University advised that:

- The Bachelor of Clinical Sciences was a generic style degree that was developed to serve a number of markets, one being as the first degree in an graduate degree program in Osteopathy training for registration in NSW. The students who choose the Osteopathic pathway will receive a Major in Osteopathic Studies.
- The University had commenced developing a two-year Masters of Clinical Science (Osteopathy).

The Board appointed a Consultative Group comprising of Mr Robert Fendall, Ms Louise Adam and Ms Jennifer Paull, and Prof Alex Radloff (Pro-Vice Chancellor of Central Queensland University and Chairperson of the UWS Accreditation Team), who acted as an expert advisor to the Group. The Consultative Group has carried out two visits to the University, in November 2006 and then again in May 2007. It was not possible to conduct a preliminary accreditation assessment of the osteopathy program as the Masters component of the course had not been finalised prior to the first intake of students in 2007.

At the consultative meeting in May 2007 it was agreed that:

- The University will provide the full accreditation documentation to the Board by 9 November 2007,
- The Board will provide feedback to the University on the accreditation documentation by 1 February 2008.
- The University is to then submit to the Board an application for Provisional Accreditation, including full documentation, by 1 April 2008.
- The Board will conduct a site visit at a mutually convenient date in July 2008.

The Board agreed that it would undertake Provisional Accreditation only if the agreed timelines for submission of full accreditation documentation and the application for Provisional Accreditation are met.

5.6 Compliance

The Board seeks to achieve compliance with the Act and Regulations through:

- random inspections throughout NSW by its authorised Inspector, checking compliance, disseminating information and issuing warnings,
- prosecution of persons operating in contravention of the Act
- the resolution of complaints concerning the professional conduct of and provision of osteopathy services by registered osteopaths
- publication of information pamphlets and the posting of information and legislation links on its website

An important part is also played in compliance in general, through the maintenance of a *Code of Professional Conduct*, detailing the parameters for the professional conduct of osteopaths and their practices.

5.6.1 Complaint Committees and Complaints

The provisions of both the Act and the *Health Care Complaints Act 1993*, require the Board and the Health Care Complaints Commission (HCCC) to advise each other of complaints received and consult concerning resolution.

The Boards Complaints Committee assists by considering complaints (regarding alleged contraventions of the Act or Regulation) lodged with the Board. The Committee has the delegated authority of the Board to make decisions regarding complaints.

The Committee met on four (4) occasions and considered six (6) complaints during the reporting period.

The nature of the complaints and the action taken are as follows:

Alleged selling expired stock

Outcome: The Committee agreed to close the matter as the respondent had taken action to resolve the matter.

Alleged unethical conduct

Outcome: The Committee considered two complaints relating to unethical misconduct, one matter was referred to the Board, and as the second complaint related to non-osteopathic body the Committee resolved not to investigate the matter.

Alleged inadequate treatment/explanation

Outcome: After the matter had been investigated by the HCCC the Committee agreed to discontinue the matter.

Alleged unregistered practitioners

Outcome: The Committee considered two complaints relating to unregistered practitioners and referred both matters to the Board.

5.6.2 Investigations By Board's Inspectors

The Health Professionals Registration Boards Investigation and Inspections Unit had one matter under investigation during the reporting period relating to possible breaches of the Act or Regulations.

The matter related to practice by unregistered practitioner (registered chiropractor) holding themselves out to be an osteopath. In this matter the Board advised the individual of the statutory regulation under Section 7 of the *Osteopaths Act 2001* and directed the practitioner to remove any reference to osteopathy on business stationery (including business cards, receipts and signage).

5.6.3 Spinal Manipulation

The Board did not receive any complaint matters regarding unregistered practitioners practising spinal manipulation in the reporting period.

If unregistered practitioners practise spinal manipulation they are in breach of the statutory regulation under Section 10AC of the Public Health Act 1991. Which states the following:

Part 2A 10AC Spinal manipulation not to be practised by unregistered person

- (1) A person must not engage in spinal manipulation in the course of providing a health service (as defined in the *Health Care Complaints Act 1993*) unless the person:
 - (a) is a registered chiropractor, or
 - (b) is a registered medical practitioner, or
 - (c) is a registered osteopath, or
 - (d) is a registered physiotherapist.

Part 2A 10AC (4) "spinal manipulation" means the rapid application of a force (whether by manual or mechanical means) to any part of a person's body that affects a joint or segment of the vertebral column.

5.6.4 Health Legislation Amendment (Unregistered Health Practitioners) Act 2006

New legislation has been introduced to regulate unregistered health practitioners. The objects of this Act are as follows:

- (a) to amend the Public Health Act 1991 to require health practitioners who are de-registered or subject to prohibition orders to notify their patients and employers and to permit the regulations under that Act to prescribe a code of conduct for unregistered health practitioners,
- (b) to amend the *Health Care Complaints Act 1993* to permit the Health Care Complaints Commission (the Commission) to give public warnings about unsafe treatments and practitioners and to make prohibition orders against unregistered health practitioners who pose a substantial risk to the health of members of the public and to require the Commission to publish information about de-registered health practitioners and the decisions of health registration bodies,
- (c) to amend each of the health registration Acts to permit a health registration body to make a prohibition order when cancelling or suspending a person's registration, if the person poses a substantial risk to the health of members of the public, and to require those bodies to publish certain decisions and give information about de-registered health practitioners.

5.6.5 Osteopaths Tribunal

No matters were referred during the reporting period.

5.6.6 Referral Of Complaints To Osteopathy Care Assessment Committee

No matters were referred during the reporting period.

5.6.7 Board Inquiries

No matters were referred during the reporting period.

5.7 Professional Indemnity Insurance

Section 25 of the *Health Care Liability Act 2001* requires NSW health professionals, including osteopaths, to provide evidence of professional indemnity insurance in order to be registered to practise. It is also a requirement under Principle 17 of the Osteopaths Code of Professional Conduct, that osteopaths in practice maintain \$10,000,000.00 in professional indemnity insurance coverage.

The Board continued to notify osteopaths in practice, including educators within the profession, of the requirement that they maintain professional indemnity insurance coverage while practising in New South Wales and for a period of 7 years after they cease practising. Compliance is monitored through the annual returns, which are completed and returned with the registrants' annual renewal documentation discussed below.

5.8 Reporting Of Convictions And Criminal Findings

Section 21 of the Osteopaths Act requires an osteopath to advise the Board in writing within 7 days in the event of being convicted of a criminal offence in NSW or elsewhere.

Part 3, Division 2 of the Act makes provision for the self-reporting of (inter alia) convictions and criminal findings, in annual returns to the Board.

5.9 Annual Return To Be Submitted

Section 20 of the Act provides for the annual return in writing of the following information:

- (a) details of any conviction of the osteopath for an offence in this State or elsewhere during the return period (together with details of any penalty imposed for the offence),
- (b) details of the making of a sex/violence criminal finding against the osteopath for an offence, in this State or elsewhere, during the return period (together with details of any penalty imposed for the offence),
- (c) details of the making of a criminal finding against the osteopath for an offence committed in the course of the practice or purported practice of osteopathy, in this State or elsewhere, during the return period (together with details of any penalty imposed for the offence),
- (d) details of any criminal proceedings pending against the osteopath at the end of the return period, in this State or elsewhere, for a sex/violence offence alleged to have been committed in the course of the practice or purported practice of osteopathy.
- (e) details of any criminal proceedings pending against the osteopath at the end of the return period, in this State or elsewhere, for a sex/violence offence alleged to have been committed against a minor or to involve child

- pornography (whether or not alleged to have been committed in the course of the practice or purported practice of osteopathy),
- (f) details of any significant illness (physical or mental) from which the osteopath suffered at any time during the return period and that may reasonably be thought likely to detrimentally affect the osteopath's physical or mental capacity to practise osteopathy,
 - (g) details of any suspension of, cancellation of, or imposition of conditions on, the registration of the osteopath as an osteopath in another jurisdiction (either within Australia or elsewhere) during the return period,
 - (h) details of any suspension of, cancellation of, or imposition of conditions on, any registration of the osteopath under a health registration Act during the return period,
 - (i) a statement as to whether the osteopath is registered under a health registration Act as at the date of the return,
 - (j) a statement as to whether the osteopath has been refused registration as an osteopath in another jurisdiction (either within Australia or elsewhere) during the return period,
 - (k) details of any continuing professional education undertaken by the osteopath during the return period,
 - (l) details of professional indemnity insurance held.

5.10 Osteopath Education and Research Account

The Board received one application for a grant under the Education and Research Account and declined to support the grant application, as it did not meet the Board's criteria

5.11 Education Committee

The functions of the Committee are inter-alia to advise the Board on issues submitted relating to osteopathy education, including entry levels, post graduate and continuing professional education.

In the reporting period the Committee noted and made recommendations relating to the overall management of osteopathy programs and applications for grants under the Education and Research Account.

5.12 Policy Committee

The Policy Committee during the reporting period was requested to review and where appropriate develop guidelines on the following matters for the Board's consideration:

- Advertising
- Competence
- Making and keeping records
- Professional boundaries
- Infection Control
- Education and Research Account
- Temporary Registration

5.13 Overseas Travel

Board members did not undertake any overseas travel during the reporting period.

5.14 Publications

Publications available from the Board and the Board's website:

- *Osteopaths Regulation 2002*
- *Osteopaths Act 2001*
- Application for Registration of Osteopaths in New South Wales
- Application for Re-registration of Osteopaths in New South Wales
- *Health Care Complaints Act 1993*
- Application for *Mutual Recognition (NSW) Act 1992*
- Application for *Trans-Tasman Mutual Recognition (NSW) Act 1996*
- Osteopath Impact Assessment Statement
- Code of Professional Conduct
- ACORB Accreditation Policy
- Advertising Guidelines for NSW Osteopaths
- Complaints Process Guidelines
-
- Board Members Code of Conduct
- Cough Etiquette and Respiratory Hygiene in Health Care Settings
- Department of Health and Aging Infection Control Guidelines
- Osteopaths Registration Board Privacy Statement

5.15 Freedom Of Information

There were no applications made pursuant to the Freedom of Information Act for information held by the Board.

5.17 Legal Change

The following legislation was implemented in the reporting period concerning registered osteopaths in NSW:

- Health Legislation Amendment (Unregistered Health Practitioners) Act 2006 (see 5.6.4)
- Amendments to the Health Care Liability Act 2001 (see 5.7).

5.18 Consultants

The Board did not engage consultants during the reporting year.

6. Administration

6.1 Management and Structure

The Health Administration Corporation provides administrative support to the Health Professionals Registration Boards (HPRB) created by the following legislation:

Chiropractors Act 2001
Dental Technicians Registration Act 1975
Nurses and Midwives Act 1991
Optical Dispensers Act 1963
Optometrists Act 2002
Osteopaths Act 2001
Physiotherapists Act 2001
Podiatrists Act 2003
Psychologists Act 2001

Under the provisions of their respective Acts, the Boards are established as the statutory bodies to deal with protection of the safety of the public and professional practice issues in New South Wales. The principle functions of the Boards include the determination of professional standards, qualifications and experience required for registration and the maintenance of professional and ethical standards through the administration of disciplinary and impairment management provisions.

The Boards are self-funding with salaries and associated on-costs paid by the Health Administration Corporation.

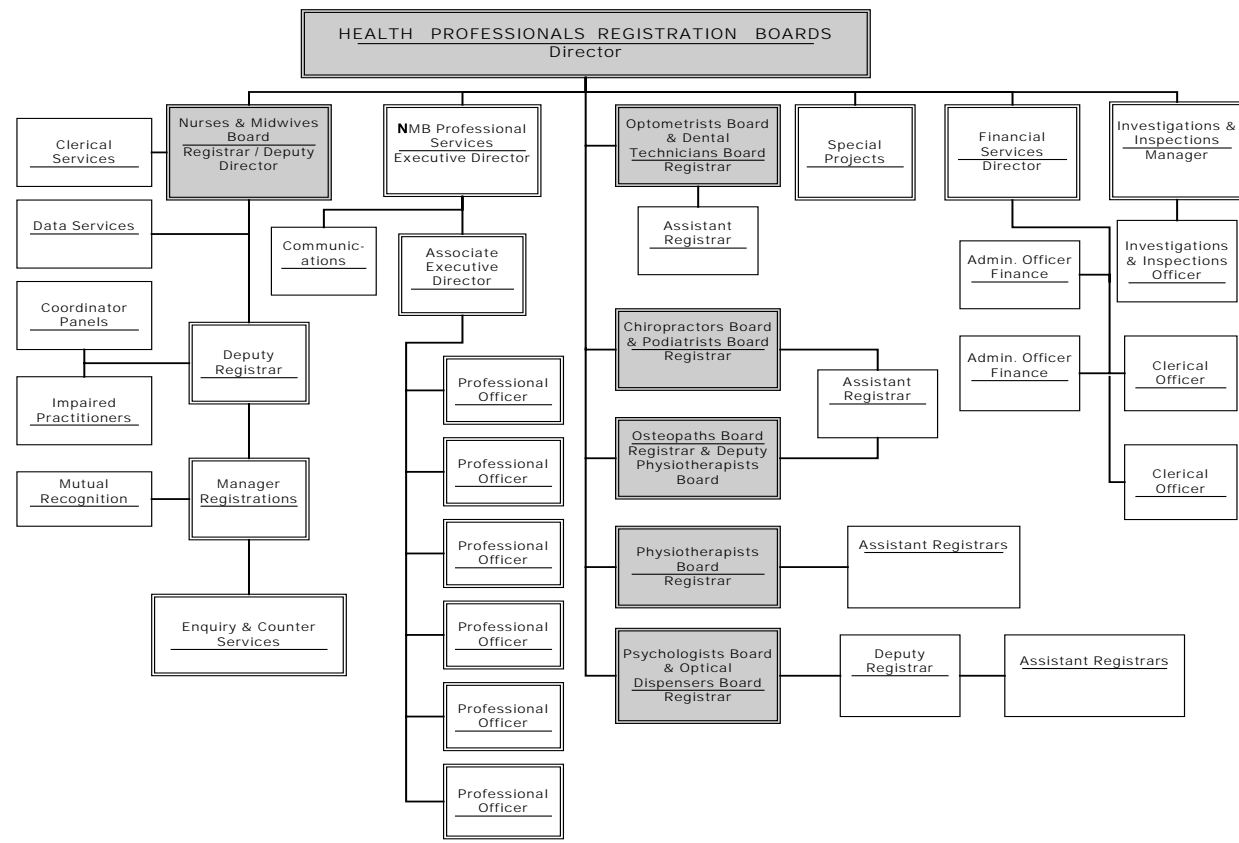
In accordance with legislation, the Health Administration Corporation paid the Boards' accounts from fees received and transmitted to the Corporation. Future expenditure for disciplinary costs, litigation and, where required, the election of Board members, has been taken into account within the Boards' accumulated funds.

The total administrative expenditure for all of the Boards during 2006/2007 was \$8,263,911. In the previous reporting year of 2005/2006 the total cost was \$8,675,704.

During the reporting period, staff of the Health Professionals Registration Boards, employed under Chapter 1A of the Public Sector Management Act, filled the equivalent of 61 full-time positions (including one Executive Officer position at level 2). For the previous 2 years, staff establishment levels were equivalent to 57 and 55 full-time positions respectively.

Staff of the HPRB operate within, and benefit from, the personnel policies of the Department of Health, including the Department's Code of Conduct and its occupational health practices. The Health Professionals Registration Boards are managed for the Corporation by Mr J Tzannes, Director, and Mr R Dwyer, Deputy Director.

6.2 Health Professionals Registration Boards Organisation Chart



6.3 NSW Department of Health Code of Conduct

Employees of the Boards comply with the Department of Health Code of Conduct, which provides direction in relation to standards of conduct and prevention of corruption, maladministration and waste. The Code, which was reviewed and re-issued in October 2005 is accessible to all HPRB employees via the Department of Health website (www.health.nsw.gov.au).

Staff Training

In keeping with the principles enshrined within the Code of Conduct relating to professional standards, the HPRB provided staff with the opportunity to enhance their skills, knowledge and competence through training courses. During the year, a total of 32 employees attended training at 27 different courses. In summary, approximately 56% of HPRB staff received additional training at a cost of approximately \$248 per staff member.

6.4 Ethnic Affairs Priorities Statement (EAPS)

The primary responsibility of the nine boards administered by the Health Professionals Registration Boards is the protection of the safety of the NSW public by granting registration to appropriately experienced and qualified persons of good standing. In order to integrate the principles of multiculturalism into the activities of the boards, two key strategies and a number of initiatives have been implemented.

The key ethnic affairs strategies are:

- To promote the recognition and registration of overseas trained health professionals as provided for in the legislation; and
- To assist overseas trained applicants with the Board's registration and documentation requirements through the provision of information, interpreters and translation services, as appropriate.

Under the key result areas of social justice and economic and cultural opportunities, the following initiatives are in place to assist people from both culturally and linguistically diverse backgrounds, who make contact with the Board:

1. Promoting recognition and registration of overseas trained health professionals;
2. Assisting with the Board's registration and documentation requirements for overseas trained applicants;
3. Maintaining a range of bilingual health professionals and/or staff employed by the HPRB;
4. Ensuring the use of ethnic media options for community information circulated by the Board;
5. Ensuring that the Board receives advice on matters within its jurisdiction relating to people of culturally diverse backgrounds;
6. Promoting a culturally diverse workforce; and
7. Ensuring that the Board is aware of the Government's ongoing commitment to implementing the principles of multiculturalism.

All of the boards jointly maintain these initiatives, which have continued throughout the reporting period, to assist individuals in gaining access to the full range of services provided by the Board. In keeping with the Board's ongoing commitment to the principles of multiculturalism, the strategies and initiatives will continue to apply in the coming year.

Overseas Training and Recognition of Qualifications

As the Board Examination process is currently under development, the Board refers osteopaths who do not hold a prescribed qualification to other Australian jurisdictions which conduct appropriate assessment examinations. Successful applicants are then eligible for registration in NSW under mutual recognition legislation..

Throughout the year, the Board continued to be involved in the national competency based assessment system in consultation with the other Australian and New Zealand registration bodies, and relevant stakeholders.

In addition, under the provisions of the *Mutual Recognition (NSW) Act 1992* and the *Trans Tasman Mutual Recognition (NSW) Act 1996*, overseas trained health professionals with current registration in another Australian state or territory or in New Zealand are able to apply for registration in NSW based on their registration status and good standing.

Interpreter and Translation Services

Board clients, who made contact either by telephone, mail, electronic media or in person, were able to access professional interpreters and translation services as required. In addition to the external language services available to Board clients, members of staff within HPRB provided assistance with translations and information in the following languages:

Arabic	Malay
Cantonese	Mandarin
Filipino (Tagalog)	Polish
French	Romanian
German	Russian
Greek	Spanish
Hokkien	Turkish
Indonesian	Ukrainian
Italian	

Languages

The Board maintains statistical data from its annual registration renewal surveys on the languages and number of registrants per language spoken by its registrants. The following table records a total of 34 registrants who speak a language other than English.

6.5 NSW Government Action Plan For Women

The NSW Government has sought to promote the position and involvement of women in all aspects of society through its Action Plan for Women and the inclusion of the principles of equality of access and rights of participation as part of the core business of all government agencies.

The key objectives of the Action Plan are to eliminate violence against women, to improve the health and quality of life of women and to provide a responsive environment that enables women to participate fully in the economic, social and educational life of society.

Among the initiatives introduced by the Government is the progressive increase in the number of women members on statutory boards and bodies to achieve a level of 50% of board representation. With regard to the nine boards administered by HPRB, nominations for board members are made by the Minister, designated nominating bodies or other mechanisms specified by the relevant legislation. Thus, where vacancies occur or when membership nominations are requested for a new board, the HPRB informs the nominating bodies of the Government policy regarding female representation and advises of the requirement to provide equal representation.

As at 30 June 2007, the Osteopaths Registration Board currently has seven members with five female members.

In relation to access to the profession for women, the Board and HPRB cannot influence the participation levels of women. However, the Board's registration records provide an indication of the number of female registrants at the end of the financial year. At the time of reporting, the Register records a total of 165 female registrants, being 34% of the total registrants, as compared to 226 female registrants representing 42% for the previous year. It should be noted that these figures vary during the course of the year as the status of registrants alters within the renewal periods.

6.6 Waste Reduction And Purchasing Policy

In keeping with the NSW Government's requirement for agencies to report on progress and achievements in relation to Waste Reduction and Purchasing Policy (WRAPP) plans as part of their Annual Reports, the HPRB confirms that it has maintained the waste reduction and avoidance practices previously put into place as part of its WRAPP strategies.

Throughout the reporting period, the HPRB continued to work towards improvements in reducing waste, recycling of paper products, consumables and office equipment and increasing the extent of its purchases containing recycled content.

During the 2006-2007 reporting period, the HPRB:

- Purchased all A4 copy paper with 50% recycled content;
- Recycled approximately 90-95% of total paper waste;
- Recycled 100% of paper/cardboard packaging by separating and directing packaging material to a centralised disposal system for recycling;
- Sent 90% of used toner cartridges for recycling; and
- Increased the number of recycled paper "wheelie" bins in the office.

The major area where ongoing improvements are now sought is the reduction of paper waste. The following paper waste avoidance strategies remained in place throughout the year:

- Scrap recycled paper is diverted for use as message pads and for note taking;
- Use of double sided printing, where possible;
- Use of the internet and Board websites to provide information to the profession and public;

- Referral of clients to Board websites as the preferable alternative to supplying hard copy information packages;
- Use of email to communicate within HPRB and with Board and Committee members and health practitioners and other personnel, where appropriate;
- Circulation of electronic drafts for review, rather than providing hard copies; and
- Allocation of paper recycling containers at all workstations to divert paper from waste bins and landfill;

Where computer processing units, monitors and ancillary parts can no longer be used, the HPRB sends the equipment for recycling of the parts. However, no computers (CPUs) or monitors were sent for recycling during the reporting year.

6.7 National Registration System for Health Professionals

In April 2007 the Council of Australian Governments (COAG) announced that as part of its National Reform Agenda for Health it had agreed on a new national registration system for the registration of health professionals and the accreditation of their training and education programs. Implementation is scheduled for 2008.

The new scheme will initially cover nine health professions: medical practitioners, nurses and midwives, pharmacists, physiotherapists, psychologists, osteopaths, chiropractors, optometrists and dentists, including dental prosthetists. COAG advised that national registration should “support workforce responsiveness, flexibility, sustainability and innovation” and will also mean that health professionals will be able to practise across State and Territory borders without having to re-register. The introduction of a national registration scheme is expected to “improve workforce mobility, allowing health practitioners to move easily to a new State or to serve in times of emergency or provide locum services”.

Key features of the new arrangements include:

- a single consolidated scheme
- a new national professional board for each of the nine professions
- each profession will develop standards for its profession
- individual registration and accreditation decisions will remain the responsibility of the profession
- community representatives to play a key role in the scheme

Following the announcement of plans for a national registration scheme by COAG, the registration boards have been actively involved in providing specialised advice in relation to registration practices and issues in NSW. The boards also liaised with the professions in relation to the proposed scheme during COAG’s consultation phase.

7. Finance and Budget

1. Format

The accounts of the Board's Administrative operations as well as Education & Research activities are contained in the independent audit report as set out in the annual report.

2. Performance

The accounts in respect of the Board's administrative operating expenditure for the year show \$143,434. This compared to the budgeted operating expenditure of \$104,601 (after adjusting for the Education and Research allocation) as contained in last year's annual report.

3. Budget

The budget in respect of the administrative operation for the period 1 July 2007 to 30 June 2008 as follows:-

Income	\$
Fees	126,780
Interest	9,986
Total	<u>136,766</u>
Expenditure	
Salaries & Associated Staff Costs	106,380
Building Expenses	3,034
Subsistence & Transport	17,331
Members Fees	30,556
Fees for Service	7,118
Post & Communications	2,702
Printing & Stationery	1,138
Plant & Equipment	132
Education & Research	3,500
Miscellaneous	20,411
Depreciation	1,013
Total	<u>193,315</u>
Operations Deficit	<u>56,548</u>

4. Expenses

The 2007/2008 year's budget includes salary oncost charges which reflect deferred liability provisions for superannuation.

5. Payments Performance

The payments in respect of the Boards' administration expenditure is included in the accounts of the Health Administration Corporation. A selected sample for each quarter of the year provided the following information: -

Quarter	Accounts paid on time		Less Than 30 days overdue (%)	Between 30 to 60 days overdue (%)	More than 90 days overdue (%)
	Target %	Actual %			
September	100.00	96.00	3.96	0.04	-
December	100.00	46.84	52.70	0.46	-
March	100.00	54.82	42.14	3.04	-
June	100.00	76.72	21.08	2.20	-

No interest was paid on late payments.

In regard to the payments made out of the Education and Research Account administered by the Board, the total expenditure performance is as follows: -

Accounts paid on time within each quarter

Quarter	Total Accounts Paid on time	
	Target %	Actual %
September	-	-
December	-	-
March	-	-
June	-	-

No interest was paid on late payments.

6. Investment Performance

The Board through a Special Interest Arrangement with the Commonwealth Bank of Australia earned an average of 5.64%p.a. on its daily bank balances. In addition an average rate of interest of 6.09%p.a. was earned on investments held in Negotiable Certificates of Deposit.

7. Insurance And Risk Management

Insurance activities were undertaken by the Department of Health Insurance cover, as follows:

- Industrial Special Risks Policy to cover all buildings, plant and contents;
- Comprehensive Motor Vehicle Insurance Policy;
- Public/Liability Insurance Policy;
- Personal Accident Policy.

Risk Management were as follows:-

- Regular preventive maintenance programs on all plant and equipment;
- Security alarm system for premises occupied by the Board;
- Security entry system for access to the Board's building during office hours;
- Disaster Recovery Plan for the computer system;
- Off site back-up of computer data.

8. Annual Report Costs

This year the Board has planned to publish 80 copies of the Annual Report at an approximate cost of \$3.90 per copy (includes GST).



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

OSTEOPATHS REGISTRATION BOARD

To Members of the New South Wales Parliament

I have audited the accompanying financial report of the Osteopaths Registration Board (the Board), which comprises the balance sheet as at 30 June 2007, and the income statement, statement of recognised income and expense and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial report:

- presents fairly, in all material respects, the financial position of the Osteopaths Registration Board as of 30 June 2007, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- is in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2005.

Board's Responsibility for the Financial Report

The *members of the Board* are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the *members of the Board*, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

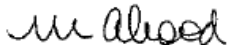
My opinion does *not* provide assurance:

- about the future viability of the Board,
- that they have carried out their activities effectively, efficiently and economically, or
- about the effectiveness of their internal controls.

Independence

In conducting this audit, the Audit Office has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General, and
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office are not compromised in their role by the possibility of losing clients or income.



M P Abood, CPA
Director, Financial Audit Services

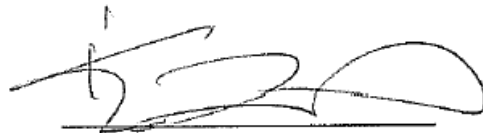
19 October 2007
SYDNEY

STATEMENT BY MEMBERS OF THE BOARD

Pursuant to the Public Finance and Audit Act, 1983, and in accordance with the resolution of the members of the Osteopaths Registration Board, we declare on behalf of the Board that in our opinion:-

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Osteopaths Registration Board as at 30 June 2007 and transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of Australian Accounting Standards, Accounting Interpretations, the Public Finance and Audit Act, 1983, the Public Finance and Audit (General) Regulation, 2005, and the Treasurer's Directions.

Further, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

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Income Statement

	Notes	2007 \$	2006 \$
Revenue			
Registration Fees		126,780	127,655
Interest	3	12,593	9,922
Other Revenue			
Total Revenue		<u>139,373</u>	<u>137,577</u>
Expenses			
Operating Expenses	11(a)&(b)	143,434	114,210
Total Expenses		<u>143,434</u>	<u>114,210</u>
Profit/(loss) for the year		<u>(4,061)</u>	<u>23,367</u>

The Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

	Notes	2007 \$	2006 \$
Current Assets			
Cash and Cash Equivalents	4	291,609	253,073
Receivables	5	1,144	981
Total Current Assets		292,753	254,054
Non Current Assets			
Furniture and Fittings	6(a)	2,653	3,531
Plant and Equipment	6(a)	384	74
Total Non Current Assets		3,037	3,605
Total Assets		295,790	257,659
Current Liabilities			
Payables	7	45,831	9,800
Fees in Advance		114,078	109,233
Provision for Personnel Services	6(b)	4,236	2,920
Total Current Liabilities		164,145	121,953
Total Liabilities		164,145	121,953
Net Assets		131,645	135,706
Equity			
Accumulated Funds	8(a) and 8(b)	131,645	135,706

The Balance Sheet should be read in conjunction with the accompanying notes.

Statement Of Recognised Income And Expense

	Notes	2007 \$	2006 \$
Total Income and Expense Recognised Directly in Equity		-	-
Profit/(Loss) for the year		(4,061)	23,367
		<hr/>	<hr/>
Total Income and Expense Recognised for the Year	8(a) and 8(b)	(4,061)	23,367
		<hr/> <hr/>	<hr/> <hr/>

The statement of recognised income and expense should be read in conjunction with the accompanying notes.

Cash Flow Statement

	Notes	2007 \$	2006 \$
Cash flows from operating activities			
Receipts			
Fees		131,594	129,475
Interest received		12,461	9,897
Payments			
Operating Expenses		(105,164)	(115,158)
GST receivable		-	-
Net cash flows from operating activities	9	38,891	24,214
 Cash flows from investing activities			
Payments for plant and equipment		(396)	(83)
Proceeds from sales of plant and equipment		41	-
Net cash flows from investing activities		(355)	(83)
Net increase/(decrease) in cash held		38,536	24,131
Cash and cash equivalents at the beginning of the financial year		253,073	228,942
Cash and cash equivalents at the end of the financial year	4	291,609	253,073

The cash flow statement should be read in conjunction with the accompanying notes.

Notes To And Forming Part Of The Financial Statements

1. Accounting Policies

a. Reporting Entity

The Osteopaths Registration Board as a reporting entity, performs the duties and functions contained in the Osteopaths Act 2001. The Board's financial affairs are administered by the Health Administration Corporation. These financial statements have been authorised for issue by the Board on 19th October 2007.

b. Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AEIFRS)), and the requirements of the Public Finance and Audit Act and Regulation and the Treasurer's Directions. Plant and equipment, assets held for sale and financial assets held for trading and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest dollar and are expressed in Australian currency.

c. Financial Instruments Accounting Policy

Cash and cash equivalents are measured at fair value with interest revenue accrued as earned such that the fair value is reflected at no less than the amount payable on demand. Receivables are not quoted in an active market and are measured at fair value.

d. Capitalisation Thresholds

Non-current assets costing over \$5000 are capitalised.

e. Income Recognition

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

Registration Fees are progressively recognised as revenue by the Board as the annual registration period elapses.

Interest revenue is recognised as it is accrued, taking into account the effective yield on the financial asset.

f. Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where that amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

g. Insurance

The Board's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

h. Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Osteopaths Board. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value means the amount for which an asset could be exchanged between a knowledgeable, willing parties in an arms length transaction.

Where payment for an item is deferred beyond normal credit terms, its costs is the cash price equivalent, ie. the deferred payment amount is effectively discounted at an asset-specific rate.

i. Impairment of Property, Plant and Equipment

As a not for profit entity with no cash generating units, the Board is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

j. Maintenance

The costs of day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset in which case the costs are capitalised and depreciated.

k. Receivables

Loans and receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the Board will not be able to collect all amounts due. The amount of the allowance is the difference between the assets carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

l. Payables

These amounts represent liabilities for goods and services provided to the Board and other amounts, including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rates are measured at the original invoice amount where the effect of discounting is immaterial.

m. Depreciation

Depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amounts of each asset as it is consumed over its useful life to the Board.

Depreciation rates used are as follows:

Equipment 25%
Furniture and Fittings 16%

n. Accounting standards issued but not yet operative

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by the Board. The following is a list of these standards:

- AASB 7 – Financial Instruments: Disclosure (issued August 2005)
- AASB 2005-10 – Amendments to Australian Accounting Standards (issued September 2005)
- AASB 8 – Operating Segments (issued February 2007)
- AASB 2007-3 – Amendments to Australian Accounting Standards (issued February 2007)
- AASB 101 (Oct 2006) – Presentation of Financial Statements (issued October 2006)
- AASB 123 – Borrowing Costs (issued June 2007)
- AASB 1049 – Financial Reporting of General Government Sectors by Governments (issued September 2006)
- AASB 2007-4 – Amendments to Australian Accounting Standards (issued April 2007)
- AASB 2007-5 – Amendments to Australian Accounting Standards (issued May 2007)
- Interpretation 4 – Determining whether an Arrangement contains a Lease (issued February 2007)
- Interpretation 10 – Interim Financial Reporting and Impairment (issued September 2006)
- Interpretation 11 – AASB 2 – Group and Treasury Share Transactions (issued February 2007)
- AASB 2007-1 – Amendments to Australian Accounting Standards (issued February 2007)
- Interpretation 12 – Service Concession Arrangements (issued February 2007)
- AASB 2007-2 – Amendments to Australian Accounting Standards (issued February 2007)
- Interpretation 129 – Service Concession Arrangements: Disclosures (issued February 2007)

The initial application of these standards will have no impact on the financial results of the Board. The Standards are operative for annual reporting periods beginning on or after 1 January 2007.

2. Funds For Education And Research Purposes

The Osteopaths Registration Board is responsible for the administration of the Education and Research Account.

The Minister for Health may determine that a set amount out of the fees received from Osteopaths be transferred to the Education and Research Account. An amount of \$nil (\$7,000 in 2005/2006) was transferred.

3. Interest

	2007 \$	2006 \$
Interest Income	<u>12,593</u>	<u>9,922</u>

The interest received from the Commonwealth Bank of Australia, was paid under a Special Interest Arrangement with the Bank which applied to all daily balances of bank accounts administered on behalf of all Health Professional Boards by the Health Administration Corporation. In addition to daily balances receiving interest at a rate revised each week, the Bank also waived normal bank fees payable such as transaction fees, dishonoured cheques fees and charges applicable to overseas drafts.

The average interest rate earned for the year was:
Special interest arrangement 5.6% p.a. (5.04% p.a. in 2006)

4. Cash And Cash Equivalents

	2007 \$	2006 \$
Cash at Bank	211,609	173,073
Negotiable Certificates of Deposit	<u>80,000</u>	<u>80,000</u>
Total	<u><u>291,609</u></u>	<u><u>253,073</u></u>

5. Receivables

	2007 \$	2006 \$
Interest receivable	1,113	981
Workers Compensation	31	-
Fees	<u>-</u>	<u>-</u>
	<u><u>1,144</u></u>	<u><u>981</u></u>

6. (a) Furniture and Fittings

Plant and Equipment

Plant and equipment is not owned individually by the Board. The amount recognised in the financial report has been calculated based on the benefits derived by the Board.

(b) Provision for Personnel Services

Relates to the Annual Leave Provision.

7. Payables

	2007	2006
	\$	
GST	-	20
Salaries and Oncosts	5,486	4,480
General Purchases	40,345	5,300
Total	<u>45,831</u>	<u>9,800</u>

8. (a) Accumulated Funds (Administration)

	2007	2006
	\$	\$
Total accumulated funds at the beginning of the year	90,557	76,132
Profit/(Loss) for the year	(6,668)	14,425
Total accumulated funds at the end of the year	<u>83,889</u>	<u>90,557</u>

(b) Accumulated Funds (Education & Research)

	2007	2006
	\$	\$
Total accumulated funds at the beginning of the year	45,149	36,207
Profit/(Loss) for the year	2,607	8,942
Total accumulated funds at the end of the year	<u>47,756</u>	<u>45,149</u>

9. Notes To The Cash Flow Statement

9.1 Reconciliation of profit/(loss) for the year to cash flows from operating activities.

	2007	2006
	\$	\$
Profit/(Loss) for the year	(4,061)	23,367
Profit from sale of asset	(41)	
Depreciation	964	952
(Increase)/Decrease in receivables	(163)	171
(Decrease)/increase in Provision for Personnel Services	1,316	(286)
(Decrease)/Increase in payables	36,031	(1,615)
Increase/(decrease) in fees in advance	4,845	1,625
Net cash provided by/(used in) operating activities	<u>38,891</u>	<u>24,214</u>

9.2 For the purposes of the cash flow statement, cash and cash equivalents include cash in the Bank.

10. Expenditure Managed Through The Health Administration Corporation

Expenditure in respect of the Board's operations form part of the accounts of the Department of Health for the Health Administration Corporation. The Health Administration Corporation has determined which costs are allocated to the Board and the basis of allocation. The costs may not include all costs associated with running the Board.

Salaries and associated oncosts are paid by the Health Administration Corporation. As from 17th March 2006 the staff were transferred to the Government Service and are listed in Chapter 1A of the Public Sector Management Act 2002. The Health Administration Corporation continues to pay for the staff and associated oncosts.

Details of transactions accounted for through the Health Administration Corporation are detailed in Note 11.

11. Expenditure Accounted For Through The Health Administration Corporation

	2007 \$	2006 \$
OPERATING EXPENSES		
(A) PERSONNEL SERVICES		
Salaries & Associated Staff Costs	81,985	67,733
	<hr/>	<hr/>
(B) GENERAL EXPENSES		
Building Expenses	3,725	3,439
Subsistence & Transport	16,835	11,414
Members Fees	29,753	19,984
Fees for Service	3,531	4,942
Post & Communications	2,631	2,010
Printing & Stationery	1,108	1,184
Plant & Equipment	25	90
Miscellaneous	440	1,319
Audit Fees (allocation)	3,400	2,095
	<hr/>	<hr/>
TOTAL GENERAL EXPENSES	61,448	46,477
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	143,433	114,210
	<hr/> <hr/>	<hr/> <hr/>

12. Education And Research Account

Activity on the Education and Research Account during 2006-07 is detailed below:

	2007	2006
	\$	\$
Opening Bank Balance	44,941	36,073
	<hr/>	<hr/>
REVENUE		
TRANSFER FROM OPERATING ACCOUNT	-	7,000
Revenue	2,582	1,868
	<hr/>	<hr/>
Total Revenue	2,582	8,868
	<hr/>	<hr/>
Expenses	-	-
	<hr/>	<hr/>
Closing Bank Balance	47,523	44,941
	<hr/>	<hr/>

13. Financial Instruments

Financial instruments give rise to positions that are a financial asset of either the Board or its counterpart and a financial liability (or equity instrument) of the other party. They include cash at bank, receivables and payables. All classes of financial instruments, including revenue, expenses or other cash flows arising from instruments, are recognised at cost on an accrual basis.

In accordance with Australian Accounting Standard AASB132, information is disclosed regarding interest risk and credit risk of financial instruments. All amounts are carried in the accounts at net fair value which is considered to be the same as the carrying amount in the balance sheet.

Interest rate risk affects cash at bank and investments where the value of these instruments is subject to fluctuation due to changes in market interest rates.

The Board's exposure to interest rate risk and the effective interest rates of financial instruments at year-end are:

	2007	2006
	\$	\$
Cash at floating interest rates	211,609	173,073
Negotiable Certificates of Deposit at fixed rates	80,000	80,000
Receivables at non-interest bearing	1,144	981
Payables at non interest bearing	45,831	9,800

It is considered that the receivables are not subject to a credit risk.

14. Consultancy Charges

The Health Administration Corporation arranges for consultancy services on behalf of the boards it administers during the year. During 2006/2007 consultancy costs were \$ nil (\$ nil in 2005/2006).

15. Subsequent Events

None to report.

16. Contingent Liabilities

None to report.

17. Commitments

	\$ 2007	\$ 2006
Rental Charges		
Less than 1 year	2,949	2,933
Between 1 and 5 years	7,414	10,437
Later than 5 years	-	-
Total	<u>10,363</u>	<u>13,370</u>

The total commitments for 2006-07 include input tax credits of \$942 (\$1,215 in 2005-06).

18. Bank Accounts

The Board operates two bank accounts:

	\$ 2007	\$ 2006
Operating Account*	164,086	128,132
Education and Research Account	47,523	44,941
	<u>211,609</u>	<u>173,073</u>

* managed by the Health Administration Corporation on the Board's behalf

During the year nil (\$7,000 in 2005-06) was transferred from the operating account to the Education and Research Account (Refer Note 12).

19. Announcement Regarding The Future Of The Board

The Council of Australian Governments announced on the 14th July, 2006 that agreement was reached for a new national system for registration of health professionals and the accreditation of their training and education programs for implementation by July 2008.

The accounts of the Osteopaths Registration Board as at 30 June 2007 have been prepared on a going concern basis, because management consider it likely that the implementation of the new national scheme will be delayed beyond July 2008, and that the Board will continue in its current role for more than 12 months beyond the date of signing the accounts.

End of Audited Financial Statements

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