



*Chiropractic Council of New South Wales*  
***Annual Report 2012***

Chiropractic Council of New South Wales

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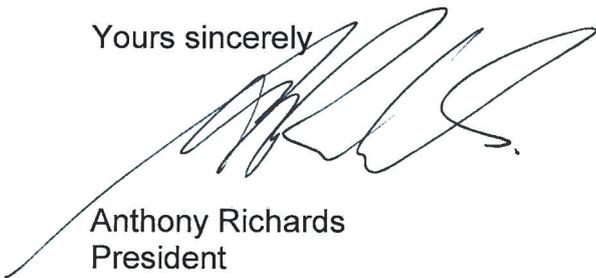
Online: [www.chiropracticcouncil.nsw.gov.au](http://www.chiropracticcouncil.nsw.gov.au)

The Hon. Jillian Skinner MP  
Minister for Health  
Minister for Medical Research  
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 Chiropractic Council of New South Wales for the year ended 30 June 2012, for presentation to Parliament.

Yours sincerely



Anthony Richards  
President



Bryce Conrad  
Member

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# About the Council



The Chiropractic Council of New South Wales is a statutory body established to manage notifications (complaints) about conduct, performance and health matters concerning registered chiropractors, and health and conduct matters related to chiropractic students in New South Wales (NSW).

The Council undertakes its regulatory functions in partnership with the Health Care Complaints Commission (HCCC), which is a separate statutory authority, established under the *Health Care Complaints Act 1993*.

The Chiropractic Council is one of 10 Councils operating in NSW. The Health Professional Councils Authority (HPCA) provides secretariat and corporate support to the NSW health professional Councils to assist the Councils in carrying out their regulatory responsibilities.

## Charter

The Council is constituted pursuant to the *Health Practitioner Regulation National Law (NSW) No 86a* (the Law) to exercise the powers, authorities, duties and functions imposed by the Law.

## Aims and Objectives

The purpose of the Chiropractic Council is to act in the interests of the public by ensuring that registered chiropractors are fit to practise and chiropractic students are fit to have contact with members of the public whilst they undertake approved programs of study.

The Council manages a range of programs, services and procedures to achieve this purpose. As a result, members of the public can be assured that registered chiropractors are required to maintain proper and appropriate standards of conduct and professional performance.

## Council Membership

Membership of the Council is prescribed pursuant to Clause 4(1) of the Law.

The Council consists of four members appointed by the Governor, of whom:

- (a) three are registered chiropractors, at least one of whom has NSW as their principal place of practice:
  - Dr Peter Cowie BAppSc(Chiro) FICC FACC (*President*)
  - Dr Geoff Irvine DO DC MACC
  - Dr Wayne Minter BAppSc(Chiro) DipNMS Rehab FICC (*until 17 October 2011*)

(b) one Australian lawyer nominated by the Minister:

- Mr David Swain BLegS LLM DipCrim

The term of office of all Council members expired on 30 June 2012.

As at 30 June 2012 the Council had three members. In accordance with the Law, Dr Cowie, Dr Irvine and Mr Swain were ineligible for reappointment, as they had served as members of the former Chiropractors Registration Board and the Chiropractic Council for consecutive terms of office exceeding nine years (Schedule 5C Part 2 Clause 12(2)). The significant contribution of the retiring members was acknowledged.

## Remuneration

Remuneration for members of the Council is as follows:

President	\$2,336 per annum
Members	\$1,750 per annum

Additionally, Council members receive sitting fees of \$245 per day and \$128 per half day for the conduct of inquiries at a meeting of the Council.

Council members are reimbursed for expenses incurred only when travelling on official business at Council direction.

Members of Council committees, panels, Tribunals and other regulatory activities also receive remuneration and reimbursement of expenses.

## Attendance at Council Meetings

The Council met on the last Tuesday of each month and met 11 times during the reporting period. The Council did not meet in October 2011.

Attendance at meetings is as follows:

Member	Meetings Attended
Dr Peter Cowie	11
Dr Geoff Irvine	11
Dr Wayne Minter ( <i>resigned 17 October 2011</i> )	3
Mr David Swain	11

## Committees of the Council

Section 41F of the Law provides that the Council may establish committees to assist it with the exercise of its functions. Members of committees need not be Council members.

## Regulatory Committees, Panels and Statutory Bodies

Part 8 of the Law prescribes the statutory committees that support the Council in undertaking its regulatory responsibilities. The activities and decisions of these bodies are reported in the *Regulatory Activities* section below.

### Chiropractic Tribunal

The Chiropractic Tribunal of New South Wales is established under s 165 and comprises four members. The Chairperson or Deputy Chairperson is an Australian lawyer appointed by the Governor. For each Tribunal hearing the three other members are appointed by the Council.

The Tribunal deals with serious notifications (complaints) that may lead to suspension or deregistration, appeals against Council decisions regarding disciplinary matters and appeals against decisions of the National Board in relation to registration matters.

Matters may be referred to a Tribunal by the Council or the HCCC Director of Proceedings.

The Tribunal concluded three matters during the year. Refer to the *Regulatory Activities* section for details.

Tribunal members are listed in Appendix 3.

### Chiropractic Assessment Committee

The Assessment Committee is established under s 172A and comprises four members appointed by the Minister, of whom three are registered chiropractors and one who is not a registered health practitioner.

Its members are:

Dr Andrew Paul ( <i>Chairperson</i> )
Dr Sonya Fogerty
Dr Mark Uren
Vacant

Six matters were considered by the Assessment Committee during the year.

### Impaired Registrants Panels

Impaired Registrants Panels (IRPs) are established under s 173 to deal with matters concerning practitioners who suffer from a physical or mental impairment which affects or is likely to affect their capacity to practise. The Panel consists of two or three members appointed by the Council. At least one member must be a registered medical practitioner and

at least one member must be a registered chiropractor. Panelists are drawn from a pool of members who are usually experienced in working with practitioners demonstrating problems with their health.

No matters were considered by an IRP during the year.

### Performance Review Panels

Performance Review Panels (PRPs) are established under s 174 to review the professional performance of a registered health practitioner. Three members are appointed to each Panel: two must be chiropractors and one is a lay person representing the community.

No matters were referred to a PRP during the year.

### Executive Officer

Under s 41Q of the Law there is to be an Executive Officer of the Chiropractic Council who is responsible for the affairs of the Council subject to any directions of the Council.

Ms Amanda McEacharn is the Executive Officer to the Council.

### Meetings and Conferences

The Council was represented at the following meetings and conferences during the reporting period:

Dr Peter Cowie attended the Code of Conduct Review Working Party of the National Board.

### Education and Research

Section 41S of the Law allows the Council to establish an Education and Research Account. The Council may expend these funds for education and research purposes relevant to its regulatory functions, and for meeting any associated administrative costs incurred.

The Council is currently developing guidelines for applicants to enable the disbursement of funds. The guidelines will be available on the Council's website.

### Overseas Travel

There was no overseas travel during the reporting period.

### Promotion of Council Activities

The Council's website is updated on a regular basis ([www.chiropracticcouncil.nsw.gov.au](http://www.chiropracticcouncil.nsw.gov.au)) and is the principal medium for disseminating information to chiropractors, students and the public.

The Council's Annual Report for 2010/2011 and Annual Reports of the former Board are accessible on the website.

### **Complaints Received about Council Administrative Processes**

The Council acknowledges that the trust and confidence of the public are essential to its role and values all forms of feedback. The Council has established a complaint handling policy and procedures for addressing complaints regarding its administrative processes or about its activities, staff, service delivery and processes.

No complaints were received from members of the public or external organisations.

### **Legislative Changes**

During the reporting period the NSW Parliament passed a number of minor amendments to the *Health Practitioner Regulation National Law (NSW)*, and the Governor made an order which amended ss 41B and 165. The Governor also approved a number of amendments to the *Health Practitioner Regulation (New South Wales) Regulation 2010*. Details of the legislative changes are at Appendix 1.



# Regulatory Activities

The primary responsibility of the Council, in conjunction with the HCCC, is to protect the public by managing the performance, conduct and health concerns relating to chiropractors practising and the health and conduct of students training in NSW.

This section details the Council's regulatory programs and results for the year.

## National Registration

NSW health professionals are registered under the National Registration and Accreditation Scheme. Through the Scheme, the Chiropractic Board of Australia (National Board) is responsible for registering health practitioners and students and for determining the requirements for registration.

The National Board approves accredited programs of study which provide the necessary qualifications for registration. It also develops and approves standards, codes and guidelines for the profession which inform the Council's regulatory activities.

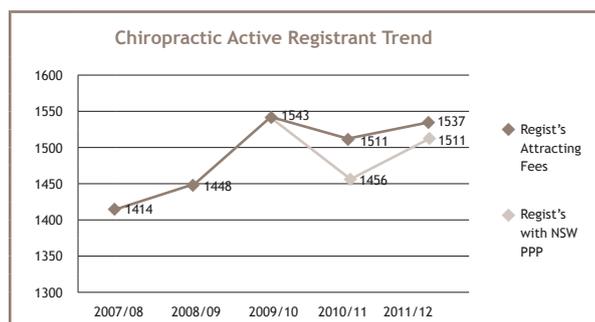
Further information about the operations of the National Board can be obtained on the Australian Health Practitioner Regulation Agency (AHPRA) website ([www.ahpra.gov.au](http://www.ahpra.gov.au)).

## Registrations in NSW

Information about registration and registrant numbers included in this Report provides context for the Council's regulatory activities and functions. Registration data is supplied by AHPRA.

At 30 June 2012, there were 1,511 registered chiropractors whose principal place of practice was in NSW. This represents 33.9% of the total number of chiropractors registered under the Scheme across Australia.

The graph below provides information about the number of chiropractors registered in NSW from 2007/2008 to 2011/2012. There was a 3.8% increase in 2011/2012 (55 practitioners) compared with 2010/2011.



Students are also registered. AHPRA advised that the number of NSW students registered as at 30 June 2012 was 577. Figures are based on the student's residential address, not the location of the education provider.

Registrations by type as at 30 June 2012 were as follows:

Registration Type	Principal Place of Practice (PPP) in NSW	NSW Share of registrants with no PPP listed	Registrants for whom fees were paid to NSW (PPP + no PPP)
General	1,450	11	1,461
Limited	1	0	1
Non-Practising	60	15	75
<b>Total</b>	<b>1,511</b>	<b>26</b>	<b>1,537</b>

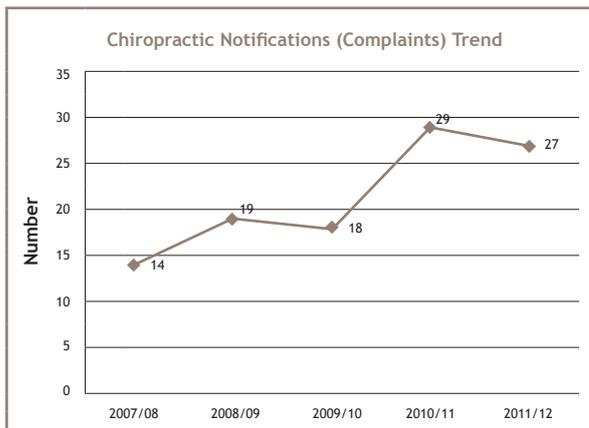
## Notifications (Complaints) Received

Any person may make a notification (complaint) against a registered chiropractor or student. Notifications (complaints) may relate to the conduct, health or performance of a registered chiropractor or the health or conduct of a registered student. A notification (complaint) may be made to the HCCC, the Council, or AHPRA.

The *Health Care Complaints Act 1993* requires the Council and the HCCC to advise each other about notifications (complaints) received and to consult concerning the course of action to be taken. A notification made to the Council is deemed to be also made to the HCCC, and vice versa.

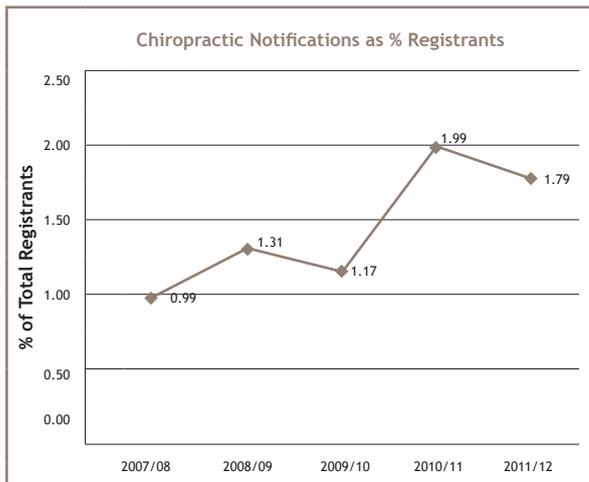
The Council received 27 new notifications (complaints) during the reporting period.

The following graph indicates the trend in notifications received since 2007/2008 and shows a slight decrease in the past year.



Note: Notifications received up to 1 July 2010 have been adjusted to exclude matters not covered by the Law such as advertising, registration issues.

The graph below shows the level of notifications (complaints) as a percentage of the number of registered chiropractors in NSW, which is less than 1.8%.



A more accurate measure is the percentage of chiropractors about whom a notification was received i.e. a chiropractor with more than one notification is only counted once in the calculation. These data are only available since 1 July 2010. On this basis, the percentage of notifications (complaints) received on chiropractors with a principal place of practice in NSW was 1.59% for the year.

	2010/2011	2011/2012	Variance
% of chiropractors with notifications received	1.44%	1.59%	0.15

Of the chiropractors with a new notification in 2011/2012, two chiropractors had one notification and one chiropractor had two notifications that had been received in previous years.

The notifications (complaints) managed by the Council in 2011/2012 were as follows:

Notifications (complaints)	Number
Case volume open* at 1/7/2011	25
Notifications received in 2011/2012	27
Notifications closed in 2011/2012	36
Case volume open* at 30/6/2012	16
<b>Total case volume managed in 2011/2012</b>	<b>52</b>

\* See Glossary for definition of open matters.

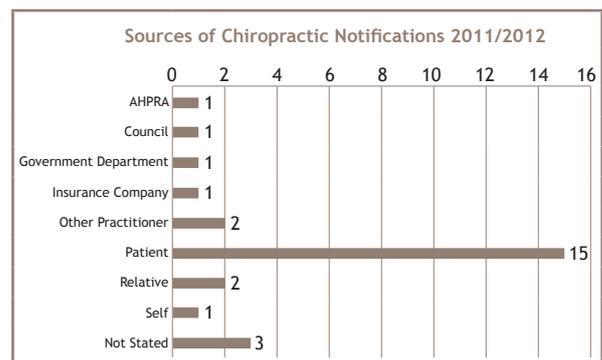
When they are received, notifications (complaints) are classified to the conduct, health or performance stream, depending on the nature of the matter. In some instances, more than one stream may be applicable however one stream is identified as the primary stream based on the seriousness of the matter. There were nine new notifications (complaints) classified as performance issues and 18 conduct issues. There were no notifications related to health issues.

Notifications are also allocated to an issue category. The Council has adopted the issue categories that have been developed by the AHPRA, which facilitates reporting across jurisdictions.

The number of notifications (complaints) received by the issue category was as below:



The sources of notifications received in 2011/2012 were:



Of the 52 notifications (complaints) managed by the Council in 2011 / 2012, 77% (40) were related to the conduct of practitioners and 23% (12) were related to performance.

### **Mandatory Notifications**

The Law requires health practitioners, employers and education providers to make mandatory notifications to AHPRA if they believe a chiropractor or student has behaved in a way that constitutes notifiable conduct i.e.

For a health practitioner:

- the practice of the profession while intoxicated by alcohol or other drugs, engaging in sexual misconduct in connection with practise, placing the public at substantial harm because the practitioner has an impairment or placing the public at risk because the practitioner has practised in a way that constitutes a significant departure from accepted professional standards.

For a student:

- has an impairment that, in the course of the student undertaking clinical training, may place the public at substantial risk of harm.

AHPRA then refers the matter to the Council for management.

There were no mandatory notifications about chiropractors or students during the reporting period.

### **Notifications (Complaints) Management**

A decision is made by the Council (in consultation with the HCCC) about which agency will manage the matter. Sometimes this decision is deferred until further assessment or investigation is carried out. Information on the processes for making and managing notifications (complaints) is available on the Council's website ([www.chiropracticcouncil.nsw.gov.au](http://www.chiropracticcouncil.nsw.gov.au)).

Following an assessment, the HCCC and the Council determine if the matter should be dismissed or whether the matter requires some form of action. A notification (complaint) may be dismissed if the matter falls outside the jurisdiction of the Council or the HCCC; if it does not raise issues of sufficient seriousness to warrant further action, or if the parties have resolved the matter.

When action is required, further assessment or investigation occurs. Some matters may also be referred for further inquiry by a Tribunal, Panel or Committee.

Following consultation with the HCCC the majority of matters were either discontinued or referred to the Council for further management. Other outcomes included:

- referral to the HCCC for investigation
- referral to another body such as AHPRA where the matter was outside the jurisdiction of the Council or HCCC
- resolution of the matter during the assessment process
- withdrawal of the complaint.

### **Protective Orders - Immediate Action under s 150 of the Law**

The Council must exercise its powers to either suspend a chiropractor's registration, or impose conditions on the chiropractor's practice if it is satisfied that such action is appropriate for the protection of the health or safety of the public, or is otherwise in the public interest.

During the reporting period, the Council exercised its protective powers on one occasion. The issue related to immediate actions were the seriousness of a police charge which involved sexual misconduct and the breach of acceptable standards of behaviour of a chiropractor. The outcome of the action was that an interim condition was imposed on the practice of the chiropractor.

Interim outcomes remain in place until the matter is disposed of through investigation or other processes outlined elsewhere in this Report.

### **Health**

The object of the Council's health program is to protect the public, while maintaining the high standards the public is entitled to expect, and enabling chiropractors with an impairment to remain in practice when it is safe to do so.

The Council did not manage any health notifications during the reporting period and no matters carried over from the previous reporting period.

## Council Approved Practitioner Assessments

The Council may refer a chiropractor or student, who is the subject of a notification (complaint), for a health assessment to determine whether the person has an impairment. This may include a medical, physical, psychiatric or psychological examination or testing.

The Council did not make any referrals for a health assessment during the reporting period.

## Impaired Registrants Panels

The Law provides for the convening of Impaired Registrants Panels (IRPs) to deal with matters concerning chiropractors who suffer from a physical or mental impairment which affects or is likely to affect the chiropractor's capacity to practise.

An IRP is non-disciplinary and aims to assist chiropractors to manage their impairment while remaining in professional practice as long as this poses no risk to the public. The Panel's role is to inquire into and assess the matter, obtaining reports and other information from any source it considers appropriate, and to make recommendations to the Council.

The Panel may counsel the chiropractor or, on the recommendation of the Panel, the Council may counsel the chiropractor, impose conditions on the registration, or suspend the registration for a period if the Council is satisfied the chiropractor or student has voluntarily agreed to the conditions or suspension.

There were no IRPs conducted in 2011/2012.

## Performance

Performance issues generally relate to concerns about the standard of a chiropractor's clinical performance, that is, whether the knowledge, skill or judgement possessed, or care exercised, is significantly below the standard reasonably expected of a chiropractor of an equivalent level of training or experience.

The Council's performance program provides an avenue for education and retraining where inadequacies in competency are identified, while at all times ensuring that the public is appropriately protected. The program aims to address patterns of practice rather than one-off incidents unless a single incident is thought to be demonstrative of a broader problem.

The Council managed 12 notifications (complaints) related to chiropractors' performance.

## Performance Assessments

The Council may require a chiropractor to participate in a performance assessment to assist it in determining a course of action. The aim of such an assessment is to establish whether the chiropractor's performance is at a standard expected of a similarly trained or experienced chiropractor. Consequently, assessments are intended to be broad-based and not limited to the substance of the matter that triggered it.

The assessment is generally conducted in the chiropractor's own practice environment by assessors appointed by the Council who are familiar with the area of practice of the chiropractor concerned.

There were no matters referred for a performance assessment and no assessments were undertaken during the reporting period.

## Performance Review Panel

If a performance assessment finds that the professional performance of a chiropractor is unsatisfactory, the Council may decide to refer the matter to a Performance Review Panel (PRP). The role of the Panel is to review the professional performance of the chiropractor by examining the evidence placed before it to establish whether the chiropractor's practice meets the standard reasonably expected of a chiropractor of 'an equivalent level of training or experience' at the time of the review.

Where deficiencies are identified, the chiropractor is required to undertake remediation tailored to their individual needs. This may entail attending courses, undertaking supervision or engaging in additional continuing professional development. Conditions on practice may also be required to ensure the public is protected while the chiropractor is undertaking remediation.

There were no PRPs held during the reporting period.

## Conduct

Conduct issues generally relate to behavioural acts or omission and often go to the question of character and may be categorised as unsatisfactory professional conduct or professional misconduct.

The Council managed 42 notifications relating to chiropractors' conduct in 2011/2012. Of those matters nine involved a National Law offence, one a National Law breach, 19 boundary violations, two offences, seven for clinical care / communication matters, three inappropriate billing practices and one aggressive behaviour.

## Investigations by the Health Care Complaints Commission (HCCC)

During 2011/2012 a number of matters were investigated by the HCCC, resulting in the following:

- referred to the Director of Proceedings for consideration of prosecution before an adjudicating body
- referral to the Council for further management
- no further action.

## Assessment Committee

The Council may refer a notification (complaint) to the Assessment Committee if the HCCC has decided not to investigate it or, following an investigation, has decided not to refer the matter to a Tribunal. The Council may also direct the Committee to require that a practitioner undergo skills testing.

The Committee must investigate complaints referred to it and encourage the complainant and the practitioner to settle the complaint by consent. A complainant and the practitioner are not entitled to be legally represented at an appearance before a Committee.

The Committee may obtain the medical, legal, financial or other advice it thinks necessary or desirable to enable it to exercise its functions. Advice obtained by the Committee may not, unless otherwise ordered by the Council, be admitted or used in civil proceedings before a court and a person may not be compelled to produce the advice or to give evidence in relation to the advice in civil proceedings.

The Committee considered six matters. Of those matters, two were settled by consent between the parties; in another matter, a settlement by consent meeting was arranged, however, it was not successful. Three matters remained open at the end of the reporting period.

## Council Inquiry

Notifications (complaints) may be dealt with by way of disciplinary proceedings held at a meeting of the Council. The resulting action taken may include a caution or reprimand, imposition of conditions on registration, referral for assessments or some other action.

There were no matters referred for Council Inquiry during the reporting period.

## Chiropractic Tribunal

The Chiropractic Tribunal deals with serious notifications (complaints) that may lead to suspension or deregistration, appeals against Council decisions regarding disciplinary matters and appeals against decisions of the National Board in relation to registration matters.

Tribunal Matters	Number
Matters referred to a Tribunal but not completed at 1/7/2011	1
Matters referred to a Tribunal in 2011/2012	4
Matters completed by a Tribunal in 2011/2012	3
Matters referred to a Tribunal but not completed by 30/6/2012	2
Total case volume managed in 2011/2012	5

During the reporting period, the Tribunal finalised the following matters:

Name	Date of Decision	Complaint / Review or Appeal	Outcome Summary
Paul Eather	12.8.2011	Complaint	Guilty of professional misconduct and unsatisfactory professional conduct
Michael Epstein	15.11.2011	Review of conditions	Conditions lifted
Roman Rajek	24.1.2012	Review of conditions	Conditions lifted

The Reasons for Decision of the Tribunal are published in full on the Australasian Legal Information Institute website ([www.austlii.edu.au](http://www.austlii.edu.au)) or may be accessed via the Council's website.

## Reviews

Chiropractors who have had conditions placed on their practice or registration by a Tribunal may request a review of those conditions.

Two matters were heard by the Tribunal with respect to applications made in accordance with s 163B of the Law. The applicants wrote to the Council requesting that the condition placed upon their registration preventing them from using the prefix 'Dr' in connection with their practice as chiropractors be lifted.

This, in effect, is an application to review the Order previously made by the Chiropractors and Osteopaths Board of NSW. The Tribunal accepted the submission made by the Council, and endorsed by the applicant, that there is no longer any purpose served by the condition restricting the applicant from using the title 'doctor' or the prefix 'Dr'.

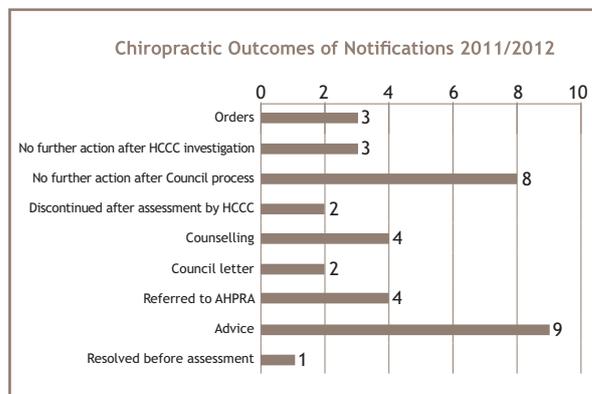
## Appeals to the Supreme Court

Chiropractors may appeal a decision made by the Tribunal to the Supreme Court. There were no appeals in 2011/2012.

## Notifications (Complaints) Outcomes

The outcomes of all notifications (complaints) closed in 2011/2012 are summarised below. The majority of matters were dealt with expeditiously and did not require investigation or referral to a regulatory or adjudicating body. The next most prevalent outcome was the issuing of advice to the chiropractor followed by counselling of the chiropractor or referral to AHPRA.

The outcomes of these matters were as follows:



\*There may be more than one outcome for a matter.

Of the notifications closed in 2011/2012, 22% (8) were considered to require no action by the Council. The reasons for closing the matters were as follows:

Reason for No Further Action	Number
Complaint not substantiated	6
Complaint withdrawn	2

The stage at which the matter was closed is as follows:

Stage* at Closure	Number
Assessment	22
Health	0
Performance	1
Investigation	10
Panel (IRP, PRP)	0
Tribunal	3
Appeal / Court	0

\*See Glossary for description of each stage.

## Notifications Received Under Former Chiropractors Act 2001

The Council finalised six matters that had been lodged with the former Chiropractors Registration Board. Complex matters in particular may take a number of years to finalise and at the end of the reporting period there are two matters still to be completed.

Matters under the former Act	Number
Open matters under former Act at 1/7/2011	8
Matters under former Act closed in 2011/2012	6
Matters under former Act open at 30/6/2012	2

Of the matters closed in the period, three resulted in conditions being imposed on the chiropractor's registration, one was discontinued after assessment by the HCCC, one received advice from the Council and one did not require any further action after consideration by the Council. The stage of closure for these matters was one at Assessment and five at Investigation.

Of the two matters remaining open, one matter was scheduled to be heard in the District Court in August 2012 and the other matter was scheduled to be heard by the Chiropractic Tribunal in August 2012.

## Counselling

Under the Law, the Council may direct a chiropractor or student to attend for counselling. This is a non-disciplinary process that enables the Council to address performance or conduct concerns in an informal but sound and influential manner. Counselling may be conducted by two or three Council members.

During the reporting period, the Council dealt with four notifications by directing the practitioner to attend for counselling. There were no students referred to counselling.

Some of the issues dealt with by counselling were:

- record keeping
- boundary.

Of those matters, one was referred for counselling in conjunction with the Osteopathy Council, and two were required to lodge patient records for the Council to review. One matter was referred during the reporting period for which the counselling was yet to take place.

Council members who conducted counselling were:

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Dr Peter Cowie

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Dr Geoff Irvine

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## Matters Referred to Another Entity

During the reporting period, the Council directed eight matters to another entity as follows:

Entity	Reasons(s) for Referral	Number
National Board / AHPRA	Advertising	6
	Unregistered practitioner	1
	Matter referred to NSW by AHPRA, however, the registrant was not working in NSW	1

## Matters Referred to HCCC for Assisted Resolution and Conciliation

The Council may refer a notification to the HCCC for assisted resolution or conciliation to be dealt with under the *Health Care Complaints Act 1993*. In 2011/2012, there were no matters referred to the HCCC for either of these actions.

## Outcomes of Mandatory Notifications

There were no mandatory notifications received during the reporting period.

## Monitoring and Compliance of Orders and Conditions

The Council is responsible for monitoring compliance with orders made and conditions imposed by the Chiropractic Tribunal, a Council Inquiry, a PRP, an immediate action (s 150) decision, or conditions following an IRP.

Conditions fall into two categories:

- a) practice conditions, which are published on the AHPRA website ([www.ahpra.gov.au](http://www.ahpra.gov.au)) or
- b) health conditions, which are not published.

During the year, six cases were monitored, and four remain active as at 30 June 2012.

Monitoring	Number
Matters monitored as at 1/7/2011	4
Matters commencing monitoring in 2011/2012	2
Matters for which monitoring was completed in 2011/2012	2
Matters under monitoring as at 30/6/2012	4
Total case volume managed in 2011/2012	6

All of the six cases managed in the period related to conduct.

The monitoring matters managed in 2011/2012 related to the following conditions:

Matter Monitored	Number
Practice restrictions related to female patients	3
Completion of course, continuing education	1
Mentoring	1
Use of the title 'Dr'	2

\*Note: There may be more than one matter for each practitioner.

The two monitoring cases finalised in the period related to conditions placed upon their registration preventing them from using the prefix 'Dr' in connection with their practice as chiropractors. The Chiropractic Tribunal removed the conditions after considering the practitioners' applications for review.

During 2011/2012, effective working relationships with AHPRA facilitated compliance monitoring across both organisations.

# Management and Administration



## Shared Services

The Health Professional Councils Authority (HPCA) is an administrative unit of the Health Administration Corporation (HAC) which provides shared executive and corporate services to the NSW health professional Councils to support their regulatory responsibilities.

The HPCA currently supports 10 Councils:

- Chiropractic Council of New South Wales
- Dental Council of New South Wales
- Medical Council of New South Wales
- Nursing and Midwifery Council of New South Wales
- Optometry Council of New South Wales
- Osteopathy Council of New South Wales
- Pharmacy Council of New South Wales
- Physiotherapy Council of New South Wales
- Podiatry Council of New South Wales
- Psychology Council of New South Wales

Each Council's Executive Officer and support staff provide secretariat services to enable it to fulfil its statutory role in regulating NSW health practitioners. In addition the HPCA coordinates shared administrative, financial, legal and policy services across all of the Councils to assist them to meet their legislative and policy obligations as statutory bodies.

On behalf of the Councils, the HPCA liaises with AHPRA regarding financial, registration and reporting matters; with the HCCC on notifications (complaints) management issues; and with the Ministry of Health on human resource matters and providing advice and responses to the Minister for Health and the Director-General on regulatory matters and appointments.

This coordinated approach provides efficiencies through shared services that would be costly for small bodies like the Councils to implement on their own. It also allows Councils to direct their attention to protection of the public by concentrating on their core regulatory functions.

A service level agreement (SLA) between the Council and the HPCA has been developed for implementation next financial year. The SLA articulates the services the HPCA provides and key performance indicators against which to assess performance. It provides certainty

and a shared understanding for the Council and the HPCA on the range and quality of services provided. This addresses one of the significant matters raised by the Audit Office of New South Wales (AONSW) in the audit of the 2010/2011 financial statements.

## Access to Information - GIPA

The Council is committed to the principles of the *Government Information (Public Access) Act 2009* (GIPA Act) and provides access to policies, publications and information through the website that comprises open access and proactively released information. The Publication Guide (now called Agency Information Guide) was updated and has been revised as required under amendments to the GIPA Act.

Staff participated in training provided by the Office of the Information Commissioner.

## Review of proactive release program - Clause 7(a)

In accordance with s 7(3) of the GIPA Act, the Council reviewed its program for the release of government information to identify the kinds of information that can be made publicly available.

The Council's program for the proactive release of information involves ensuring that new and revised policies and other information are progressively released to provide chiropractors, complainants and the public with access to information relevant to regulation and the notification (complaint) management process.

During the reporting period, this program was reviewed by maintaining a policy register and monitoring the completion and approval of relevant information. As a result of this review, the Council released the following information proactively: policy documents related to subpoenas, policy management, dealing with administrative complaints and gifts and benefits. These have been made available on the website, as well as links to relevant NSW Health policies and National Board policies.

Additions to the website include a section for the public to lodge a notification (complaint) about a chiropractor or student, and access to information on scheduled hearings and the decisions made by Tribunals.

## Number of access applications received - Clause 7(b)

During the reporting period, the Council

received no formal access applications (including withdrawn applications but not invalid applications).

### Number of refused applications for Schedule 1 information - Clause 7(c)

No applications for Schedule 1 information were refused during the reporting period.

The Council's GIPA statistics are reported in Appendix 2.

### Privacy

The Council is subject to the provisions of the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*.

No complaints regarding privacy matters were received during the reporting period.

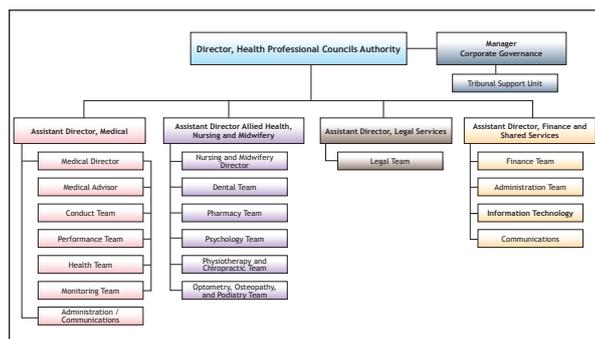
A privacy management plan will be developed in 2012/2013.

### Human Resources

The HPCA staff who support the Council are employed under Chapter 1A of the *Public Sector Employment and Management Act 2002*.

As at 30 June 2012 there were 89 permanent full-time and nine temporary full-time positions, of whom 1FTE provided secretariat support directly to the Council.

### HPCA Organisation Chart as at 30 June 2012



The HPCA adopts NSW Ministry of Health personnel policies and practices and ensures that staff have access to these policies through the Ministry intranet. All staff signed the new NSW Health Code of Conduct and had the opportunity to discuss it at staff meetings.

During the year the HPCA commissioned a review of the organisational structure to determine the best allocation of staffing resources and opportunities to streamline some services that are shared across all of the Councils.

### Learning and Development

The HPCA provided learning and development opportunities for staff that were aligned with Council and corporate priorities, and that met staff individual training needs identified through the Coaching and Performance System (CAPS).

Members of the Occupational Health and Safety Committee received training in the requirements of the *Work Health and Safety Act (NSW) 2011* and the *Work Health and Safety Regulation (NSW) 2011* which came into effect on 1 January 2012. From this date the Committee became the Work Health and Safety Committee.

Selected staff attended courses on GIPA, privacy management and public interest disclosure provisions and writing procedures and policy documents.

The introduction of the TRIM records management system and Monitoring and Complaints System (MaCS) for case management included intensive training, development of procedure manuals and ongoing support following implementation. The Council aims to ensure that all staff and members understand the provisions of the Law and its administration.

Priorities for 2012/2013 include induction of members joining the Council from 1 July 2012 and a focus on developing knowledge of the Law, Council's regulatory responsibilities and processes to protect the public. Legal information sessions for staff are being developed as part of an ongoing program of continuous learning and education.

### Public Interest Disclosures

The Council is subject to the provisions of the *Public Interest Disclosures Act 1994* and the reporting requirements of the *Public Interest Disclosures Regulation 2011*. The Council has endorsed an internal reporting policy and has provided a report to the NSW Ombudsman's online reporting tool.

Staff and Council members are aware of the policy and information is available on the requirements and processes for making and managing disclosures.

There were no public interest disclosures (PIDs) made by staff or Council members during the year:

	January 2012 - June 2012
Number of public officials who made PIDs	0
Number of PIDs received	0
Of PIDs received, number primarily about:	
Corrupt conduct	0
Maladministration	0
Serious and substantial waste	0
Government information contravention	0
Local government pecuniary interest contravention	0
Number of PIDs finalised	0

Note: The number of PIDs finalised only refers to PIDs that have been received since 1 January 2012.

## Industrial Relations Policies and Practices

The HPCA implements the Ministry of Health industrial relations policies and practices, and maintained a harmonious industrial environment throughout the year.

## Audit and Risk Management

NSW Treasury has granted the Council an exemption from the Internal Audit and Risk Management Policy for the NSW Public Sector (TPP09-05) on the grounds that it is a small agency for which the administrative and cost burden of full compliance would be prohibitive. However the Council has appropriate internal audit and risk management practices in place in line with the core requirements of TPP09-05, in particular:

- the HPCA has established a Health Professional Councils Audit and Risk Committee comprising three members, with a majority of independent members and an independent chair
- developed an Audit and Risk Committee charter consistent with the content of the 'model charter'
- established and maintained an enterprise risk management process including a Risk Register and three year rolling internal audit plan, which covers the operation of all of the Councils.

Due to the Councils' small budgets the HPCA has not established a specific Chief Audit Executive role. To meet this requirement, IAB is commissioned to undertake the internal audits nominated in the internal audit plan and the HPCA Manager, Corporate Governance provides

the secretariat to the Audit and Risk Committee and ensures that audit outcomes and risk management activities are regularly reported to and monitored by the Committee.

Since its inception in January 2012 the Audit and Risk Committee reviewed the 2011/2012 Risk Register, monitored internal audits and reviews and the Council's financial and management reports.

During the year the HPCA paid particular attention to implementing the recommendations arising from the Audit Office of NSW audit of the 2010/2011 financial statements. In addition, the HPCA updated the Risk Register, developed a fraud risk assessment tool and initiated work on a business continuity plan.

The IAB conducted an internal audit of the financial controls over payments to Council, committee and panel members. The audit found no evidence of fraud but recommended a number of policy and control measures to improve internal processes and the development of a policy and procedures. All of the review's recommendations were accepted and are being addressed.

A proposed audit of information and records management was postponed to enable the scope to be revised to focus on the content and accessibility of records. This review will be rescheduled during 2013 and development of a business continuity plan has been initiated.

## Information Management and Systems

A priority this year was to improve information systems and the management of information, which is one of the Council's key assets. This has enabled information to be more readily shared and has improved the accuracy, reliability and security of corporate and regulatory information.

The TRIM records management system was implemented for corporate and Council records, with particular focus on electronic document management to improve version control and document tracking. A business classification scheme has been developed and TRIM has been linked to the case management system to reduce double handling and recording of practitioner related information.

A new case management system, called Monitoring and Complaints System (MaCS) was also launched. It includes practitioner records related to Council decisions and conditions

imposed on practice by the Chiropractic Tribunal. MaCS enables standardised information about practitioners and the progress and outcomes of matters to be recorded and monitored. It also improves the accuracy and timeliness of statistical reporting.

Documentation of an IT disaster recovery plan has begun and will be completed as part of the business continuity plan.

### Exemptions from the Reporting Provisions

As a small statutory body, the Council is exempt from certain reporting provisions and provides a triennial report in relation to multicultural policies and services programs; disability services; equal employment opportunity; occupational health and safety and waste management (WRAPP). The Council last reported on these provisions in the 2010/2011 Annual Report and will next report in 2013/2014.

The Council continued to meet its compliance obligations with regard to each of these matters and remains committed to implementing the relevant policy requirements.

### Consultants

The 10 health professional Councils together commissioned consultancies related to governance, system improvements and the ongoing development of the HPCA's shared services to Councils.

The Council made the following contribution to these consultancies:

#### Engagements costing less than \$50,000

Service Provided	No.	Cost inc. GST	\$
Financial management	3		725
Governance	3		297
Administration	2		383
Information management and systems	1		365
<b>Total</b>	<b>9</b>		<b>1,770</b>

### Insurance

The Council's insurance activities are conducted by the HPCA through the NSW Ministry of Health's insurance cover with the NSW Treasury Managed Fund, and include:

- legal liability - public liability, professional indemnity, product liability
- Comprehensive Motor Vehicle Insurance Policy

- Personal Accident Policy for volunteer workers
- property coverage
- workers compensation.

### Annual Report Costs

The Council printed 60 copies of the 2011/2012 Annual Report at an approximate cost of \$25.88 per copy (GST inc.).

### Financial Management

The HPCA provides financial management services to the Council including the payment of accounts, budget preparation and monitoring and coordination of regular financial reporting to the Council. HPCA staff worked with the AHPRA on behalf of the Council to determine practitioner fees and the regulatory component of those fees paid to the Council to enable it to undertake its regulatory functions.

A new model for the allocation of costs across the Councils is being developed to ensure the equitable distribution of shared costs and staffing resources across all Councils. It will be implemented from 2012/2013 once the impact of the methodology across 13 Councils has been tested.

### Format

The accounts of the Council's administrative operations, as well as Education and Research activities, together with the Independent Auditor's Report are set out in the Financial Statements included in this Annual Report.

### Performance

The Council's accounts performance as reported in the Financial Statements is as follows:

	\$
Revenue	203,596
Operating expenditure	259,178
Education and research expenditure	-
Net Profit/(loss)	(55,550)
Net cash reserves (cash and cash equivalents minus current liabilities)*	799,198
* Included in the net cash reserves is Education and Research bank account balance of:	24,232

## Investment Performance

The Council, through a Special Interest Arrangement with the Commonwealth Bank of Australia earned an average of 3.65% p.a. on its daily bank balances. In addition, an average rate of interest of 4.20% was earned on investments held in a Cash Deposit Account.

## Payments Performance

The Council's accounts are managed by the Health Administration Corporation. The HPCA is in the process of identifying small business suppliers as required by NSW Treasury Circular TC11/21. The consolidated accounts payable performance report for the HPCA is as shown below:

Quarter	Current (within due date)	Less than 30 days overdue	Between 30 to 60 days overdue	Between 60 to 90 days overdue	More than 90 days overdue
	\$	\$	\$	\$	\$
<b>All suppliers</b>					
September	1,932,856	1,094	0	74	0
December	2,007,267	23,963	0	0	0
March	1,152,270	89	0	0	0
June	1,437,800	31,854	0	0	0
<b>Small business suppliers</b>					
September					
December					
March					
June					

Measure	Sept	Dec	Mar	Jun
<b>All suppliers</b>				
Number of accounts due for payment	116	122	132	108
Number of accounts paid on time	113	92	131	107
Actual percentage of accounts paid on time (based on number of accounts)	97.4	75.4	99.2	99.1
Dollar amount of accounts due for payment	1,934,024	2,031,230	1,152,359	1,469,654
Dollar amount of accounts paid on time	1,932,856	2,007,267	1,152,270	1,437,800
Actual percentage of accounts paid on time (based on \$)	99.9	98.8	100	97.8
Number of payments for interest on overdue accounts				
Interest paid on overdue accounts				

Measure	Sept	Dec	Mar	Jun
<b>Small business suppliers</b>				
Number of accounts due for payment				
Number of accounts paid on time				
Actual percentage of accounts paid on time (based on number of accounts)				
Dollar amount of accounts due for payment				
Dollar amount of accounts paid on time				
Actual percentage of accounts paid on time (based on \$)				
Number of payments for interest on overdue accounts				
Interest paid on overdue accounts				

## Budget 2012/2013

The budget for the period 1 July 2012 to 30 June 2013 is as follows:

Revenue	186,422
Operating expenditure	(240,064)
Education and research expenditure	-
Net Profit/(Loss)	(53,642)

The 2012/2013 budget is subject to revision.





## INDEPENDENT AUDITOR'S REPORT

### Chiropractic Council of New South Wales

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Chiropractic Council of New South Wales (the Council), which comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

### Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Council as at 30 June 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

### The Council's Responsibility for the Financial Statements

The members of the Council are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the members of the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council'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 Council, as well as evaluating the overall presentation of the financial statements.

I believe 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 Council
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements

### **Independence**

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- 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 of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Peter Boulous CA  
Director Financial Audit Services

18 October 2012  
SYDNEY

## CHIROPRACTIC COUNCIL OF NEW SOUTH WALES

YEAR ENDED 30 JUNE 2012

### STATEMENT BY MEMBERS OF THE COUNCIL

Pursuant to section 41C(1B) *Public Finance and Audit Act 1983*, and in accordance with the resolution of the members of the Chiropractic Council of New South Wales, we declare on behalf of the Council that in our opinion:

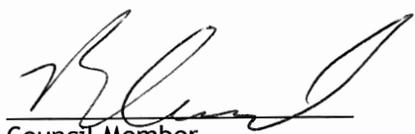
1. The accompanying financial statements exhibit a true and fair view of the financial position of the Chiropractic Council of New South Wales as at 30 June 2012 and financial performance for the year then ended.
2. The financial statements have been prepared in accordance with the provisions of Australian Accounting Standards, Accounting Interpretations, the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*, 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.

  
Council Member

Date:

16/10/2012

  
Council Member

Date:

16/10/12

## Chiropractic Council of New South Wales

Statement of Comprehensive Income  
for the Year Ended 30 June 2012

	Notes	2012 \$	2011 \$
<b>EXPENSES EXCLUDING LOSSES</b>			
<b>Operating expenses</b>			
Personnel services	2(a)	(97,587)	(45,441)
Other operating expenses	2(b)	(107,024)	(23,556)
Depreciation and amortisation	2(c)	(4,505)	(6,495)
Finance costs	2(d)	(131)	(165)
Other expenses	2(e)	(49,931)	(24,420)
Education and research expenses	3	-	(36,534)
<b>Total Expenses Excluding Losses</b>		<b>(259,178)</b>	<b>(136,611)</b>
<b>REVENUE</b>			
Registration fees		153,564	190,015
Other revenue		7,734	155
Interest revenue	5	42,298	39,234
<b>Total Revenue</b>		<b>203,596</b>	<b>229,404</b>
Gain/(Loss) on disposal	6	32	87
<b>Net Result</b>		<b>(55,550)</b>	<b>92,880</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>(55,550)</b>	<b>92,880</b>

The accompanying notes form part of these financial statements.



## Chiropractic Council of New South Wales

Statement of Financial Position  
as at 30 June 2012

	Notes	2012 \$	2011 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	934,076	905,947
Receivables	8	7,285	32,245
<b>Total Current Assets</b>		<b>941,361</b>	<b>938,192</b>
<b>Non-Current Assets</b>			
Plant and equipment	9		
Leasehold improvements		1,641	1,882
Motor vehicles		211	570
Furniture and fittings		232	-
Other		2,974	2,776
<b>Total Plant and equipment</b>		<b>5,058</b>	<b>5,228</b>
Intangible assets	10	4,616	4,597
<b>Total Non-Current Assets</b>		<b>9,674</b>	<b>9,825</b>
<b>Total Assets</b>		<b>951,035</b>	<b>948,017</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	11	71,117	44,240
Fees in advance	12	63,761	32,202
<b>Total Current Liabilities</b>		<b>134,878</b>	<b>76,442</b>
<b>Non-Current Liabilities</b>			
Provisions	13	3,967	3,835
<b>Total Non-Current Liabilities</b>		<b>3,967</b>	<b>3,835</b>
<b>Total Liabilities</b>		<b>138,845</b>	<b>80,277</b>
<b>Net Assets</b>		<b>812,190</b>	<b>867,740</b>
<b>EQUITY</b>			
Accumulated funds		812,190	867,740
<b>Total Equity</b>		<b>812,190</b>	<b>867,740</b>

The accompanying notes form part of these financial statements.

## Chiropractic Council of New South Wales

Statement of Changes In Equity  
for the Year Ended 30 June 2012

	Notes	Accumulated Funds \$
<b>Balance at 1 July 2011</b>		<b>867,740</b>
Changes in accounting policy		-
Correction of errors		-
<b>Restated Total Equity</b>		<b>867,740</b>
<b>Net Result for the Year</b>		<b>(55,550)</b>
Other comprehensive income		-
<b>Balance at 30 June 2012</b>		<b>812,190</b>
<b>Balance at 1 July 2010</b>		-
Transfer in of net assets due to restructure	19	1,416,636
Payment to Ministry of Health	19	(641,776)
Restated transfer balance as at 1 July 2010		774,860
<b>Net Result for the Year</b>		<b>92,880</b>
Other comprehensive income		-
<b>Balance at 30 June 2011</b>		<b>867,740</b>

The accompanying notes form part of these financial statements.



## Chiropractic Council of New South Wales

Statement of Cash Flows  
for the Year Ended 30 June 2012

	Notes	2012 \$	2011 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Personnel services		(97,724)	(81,969)
Finance costs		-	-
Other		(130,704)	(57,165)
<b>Total Payments</b>		<b>(228,428)</b>	<b>(139,134)</b>
<b>Receipts</b>			
Receipts from registration fees		209,371	17,982
Interest received		43,774	37,647
Other		7,734	155
<b>Total Receipts</b>		<b>260,879</b>	<b>55,784</b>
<b>Net Cash Flows from Operating Activities</b>	<b>17</b>	<b>32,450</b>	<b>(83,350)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of plant and equipment		550	262
Purchases of plant and equipment		(4,872)	(6,534)
<b>Net Cash Flows from Investing Activities</b>		<b>(4,322)</b>	<b>(6,272)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from restructure of previously abolished Board	19	-	1,801,056
Australian Health Practitioner Regulation Agency as per Government Gazette No 90	19	-	(163,711)
Payment to NSW Department of Health (owner) as per Government Gazette No 90	19	-	(641,776)
<b>Net Cash Flows from Financing Activities</b>		<b>-</b>	<b>995,569</b>
<b>Net Increase/(Decrease) in Cash</b>		<b>28,129</b>	<b>905,947</b>
Opening cash and cash equivalents		905,947	-
<b>Closing Cash and Cash Equivalents</b>	<b>7</b>	<b>934,076</b>	<b>905,947</b>

The accompanying notes form part of these financial statements.

# Chiropractic Council of New South Wales

## Notes to the Financial Statements

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Reporting Entity

The Chiropractic Council of New South Wales (The Council) as a not-for-profit reporting entity with no cash generating units, performs the duties and functions contained in the *Health Practitioner Regulation National Law (NSW) No 86a* (the Law).

These financial statements for the year ended 30 June 2012 have been authorised for issue by the Council on 16 October 2012.

#### b. Basis of Preparation

The Council has adopted the going concern basis in the preparation of the financial statements.

The Council's financial statements are general purpose financial statements and have been prepared in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations)
- the requirements of the *Public Finance and Audit Act 1983* and Regulation and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

The financial statements have been prepared on the basis of historical cost.

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. Insurance

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

#### d. Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Council as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense and
- receivables and payables are stated with the amount of GST included.

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

#### e. Income Recognition

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

The National Registration and Accreditation Scheme for all health professionals commenced on 1 July 2010. NSW opted out of the complaint handling component of the National scheme and the health professional Councils were established in NSW effective from 1 July 2010 to manage the complaints function in a co-regulatory arrangement with the NSW Health Care Complaints Commission.

Under Section 26A of the Law, the complaints element of the registration fees payable during 2012 by NSW health practitioners was decided by the Council established for that profession subject to approval by the Minister for Health.

The Council, under the Law, receives fees on a monthly basis from the Australian Health Practitioner Regulation Agency (AHPRA) being the agreed NSW complaints element for the 2012 registration fee.

As a result of the commencement of the Law, the assets and liabilities of the former Chiropractors Registration Board were transferred to the Council on 1 July 2010. The assets transferred to the Council included



# Chiropractic Council of New South Wales

## Notes to the Financial Statements

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registration and renewal fees received in advance. The receipts received from registration and renewals paid in advance are included in the proceeds from the restructure of the previously abolished Board as shown in the Statement of Cash Flows and referred to in note 19, Equity Transfers. Registration and renewal fees relating to the year ended 30 June 2011 but received after 30 June 2010, are shown separately in the statement of cash flows as receipts from registration fees.

The Victorian Auditor-General's Office were engaged to provide an opinion on the effectiveness of the control procedures at AHPRA for the years ending 30 June 2011 and 30 June 2012 in relation to registration fees paid to Health Professional Councils Authority (HPCA).

Fees are progressively recognised as income by the Council as the annual registration period elapses. Fees in advance represent unearned income at balance date.

### f. Personnel Services

All employees of the Council reside with the Ministry of Health (MOH). Staff costs are shown in the Statement of Comprehensive Income as personnel services in the financial statements of the Council. Provisions in the Statement of Financial Position represent amounts payable to the MOH in respect of personnel services.

### g. Interest Revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

### h. Education and Research

The Council is responsible for the administration of the Education and Research account. The Minister for Health may determine that a set amount of funds out of the fees received to be transferred to the Education and Research account.

### i. Assets

#### i. Acquisitions of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Council. 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 requirements of other Australian Accounting Standards.

The cost of assets recognised in the financial statements has been calculated based on the benefits expected to be derived by the Council.

Assets acquired at no cost, or for nominal consideration, are initially recognised at their historical cost at the date of acquisition.

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

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

#### ii. Capitalisation Thresholds

The HPCA acquires all assets on behalf of the Council. Shared use assets that cost over \$5,000 at the time of purchase by the HPCA are capitalised. These capitalised shared use assets are then allocated to the Council using an appropriate allocation method. The minimum capitalisation threshold limits applied to the Council for the asset are \$46.50 (all Council shared use asset, or \$57.00 (Pitt Street shared use asset), whichever is applicable.

#### iii. Impairment of Plant and Equipment

As a not-for-profit entity with no cash generating units, AASB 136 *Impairment of Assets* effectively is not applicable. AASB 136 modifies the recoverable amount test to the higher of fair value less costs

## Chiropractic Council of New South Wales

### Notes to the Financial Statements

to sell and depreciated replacement cost. This means that, where an asset is already measured at fair value, impairment can only arise if selling costs are material. Selling costs for the entity are regarded as immaterial.

#### **iv. Depreciation of Plant, Equipment and Leasehold Improvements**

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

Depreciation and amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation rates used are as follows:

Plant and equipment 20% - 25%

Furniture and fittings 16% - 20%

Motor vehicles 25% - 29%

Leasehold improvements 1.7% - 4%

#### **v. Revaluation of Plant and Equipment**

There has been no revaluation on any of the Council's plant and equipment as they are non-specialised assets. Non-specialised assets with short useful lives are measured at depreciated historical cost as a surrogate for fair value.

#### **vi. Maintenance**

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.

#### **vii. Intangible Assets**

The Council recognises intangible assets only if it is probable that future economic benefits will flow to the entity and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met. The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the entity's intangible assets, the assets are carried at cost less any accumulated amortisation.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

The Council's intangible assets are amortised using the straight line method over a period of four years. In general, intangible assets are tested for impairment where an indicator of impairment exists. However, as a not-for-profit entity with no cash generating units, the Council is effectively exempted from impairment testing.

#### **viii. Loans and 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 Council 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.

## Chiropractic Council of New South Wales

### Notes to the Financial Statements

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#### **j. Liabilities**

##### **i. Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Council and other amounts. 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.

##### **ii. Personnel Services - Ministry of Health**

Personnel services are acquired from the MOH. As such the MOH accounting policy is below.

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that are due to be settled within 12 months after the end of the period in which the employees render the service are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

The outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

All employees receive the Superannuation Guarantee Levy contribution. All superannuation benefits are provided on an accumulation basis - there are no defined benefits. Contributions are made by the entity to an employee superannuation fund and are charged as an expense when incurred.

##### **iii. Provision for Make Good**

Provisions include the Council's proportionate liability (allocated to the Council using an appropriate allocation method) of the estimated make good liability, discounted to today's present value.

#### **k. Equity**

##### **Accumulated Funds**

The category 'Accumulated Funds' includes all current and prior period funds.

##### **l. Comparative information**

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

Comparative amounts, where applicable (in Notes 2b and 2e), are reclassified for the purpose of comparability with the current year figures.

##### **m. New Australian Accounting Standards issued but not effective**

There are no new Accounting Standards applicable this financial year.

## Chiropractic Council of New South Wales

### Notes to the Financial Statements

#### 2. EXPENSES EXCLUDING LOSSES

##### a. Personnel services expenses

Personnel services expenses are acquired from the MOH and comprise the following:

	2012 \$	2011 \$
Salaries and wages (including recreation leave)	81,300	35,258
Superannuation	9,750	7,941
Payroll taxes	5,966	2,232
Workers compensation insurance	571	10
	<u>97,587</u>	<u>45,441</u>

##### b. Other operating expenses include the following:

	2012 \$	2011 \$
Auditor's remuneration	5,500	5,500
Rent and building expenses	11,205	8,941
Council fees	6,424	2,944
Sitting fees	79,548	1,888
Contracted labour	4,347	4,283
	<u>107,024</u>	<u>23,556</u>

##### c. Depreciation and amortisation expense

	2012 \$	2011 \$
Depreciation		
Motor vehicles	112	68
Furniture and fittings	-	481
Other	1,058	737
	<u>1,170</u>	<u>1,286</u>
Amortisation		
Leasehold improvement	241	538
Intangible assets	3,094	4,671
	<u>3,334</u>	<u>5,209</u>
<b>Total Depreciation and Amortisation</b>	<u><b>4,505</b></u>	<u><b>6,495</b></u>



# Chiropractic Council of New South Wales

## Notes to the Financial Statements

### d. Finance costs

	2012 \$	2011 \$
Unwinding of discount rate on make good provision	131	165
	<u>131</u>	<u>165</u>

### e. Other expenses

	2012 \$	2011 \$
Subsistence and transport	16,209	5,220
Fees for service	25,043	11,878
Postage and communication	768	1,247
Printing and stationery	5,235	1,453
Equipment and furniture	135	1,208
General administration expenses	2,541	3,414
	<u>49,931</u>	<u>24,420</u>

## 3. EDUCATION AND RESEARCH

### i. Education and Research Expenses

	2012 \$	2011 \$
Grants	-	36,534
<b>Total (excluding GST)</b>	<u>-</u>	<u>36,534</u>

### ii. Education and Research Account Reconciliation

	Notes	2012 \$	2011 \$
Opening balance 1 July 2011		23,294	-
Transfer of assets due to restructure		-	60,497
Interest		938	2,185
		<u>24,232</u>	<u>62,682</u>
Outgoings		-	(39,388)
<b>Closing Balance 30 June 2012</b>	<b>7</b>	<u>24,232</u>	<u>23,294</u>

## Chiropractic Council of New South Wales

### Notes to the Financial Statements

#### 4. EXPENDITURE MANAGED ON BEHALF OF THE COUNCIL THROUGH THE HEALTH ADMINISTRATION CORPORATION

The Council's accounts are managed by the Health Administration Corporation. Executive and administrative support functions are provided by the HPCA, which is an administrative unit of the Health Administration Corporation. The Health Administration Corporation has determined the basis of allocation of material costs to the Council.

Salaries and associated oncosts are paid by the MOH. The MOH continues to pay for the staff and associated oncosts. These costs are reimbursed by the Council to the MOH.

Details of transactions managed on behalf of the Council through the Health Administration Corporation are detailed above in notes 2 to 11.

#### 5. INTEREST REVENUE

	2012 \$	2011 \$
Interest revenue from financial assets not at fair value through profit or loss	42,298	39,234
	<u>42,298</u>	<u>39,234</u>

The interest received 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 Councils 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 cheque fees and overseas draft fees.

	2012 %	2011 %
Weighted Average Interest Rate	3.65	4.43

#### 6. GAIN/(LOSS) ON DISPOSAL

	2012 \$	2011 \$
Plant and equipment		
Net book value disposed during the year	(518)	(176)
Proceeds from sale	550	263
<b>Total Gain on Disposal</b>	<u>32</u>	<u>87</u>



# Chiropractic Council of New South Wales

## Notes to the Financial Statements

### 7. CASH AND CASH EQUIVALENTS

	2012 \$	2011 \$
Cash at bank and on hand	334,360	321,419
Short-term bank deposits	195,286	186,777
Cash at bank - held by HPCA*	404,430	397,751
	<u><b>934,076</b></u>	<u><b>905,947</b></u>

\* This is cash held by the HPCA, an administrative unit of the Health Administration Corporation, on behalf of the Council for its operating activities.

The Council operates the bank accounts shown below:

	Notes	2012 \$	2011 \$
Operating account**		310,128	298,125
Education and research account**	3	24,232	23,294
		<u><b>334,360</b></u>	<u><b>321,419</b></u>

\*\* managed by the HPCA, an administrative unit of the Health Administration Corporation.

### 8. RECEIVABLES

	2012 \$	2011 \$
Other receivables	3,180	2,416
Interest receivable	3,947	5,423
Trade receivables	158	24,406
	<u><b>7,285</b></u>	<u><b>32,245</b></u>

No receivables are considered impaired.

The trade receivables include monies that AHPRA has collected from registrants as at 30 June 2012 and has remitted the monies to HPCA in July 2012.

## Chiropractic Council of New South Wales

### Notes to the Financial Statements

#### 9. PLANT AND EQUIPMENT

The Council has an interest in plant and equipment used by all health professional Councils. Plant and equipment is not owned individually by the Council. The amounts recognised in the financial statements have been calculated based on the benefits expected to be derived by the Council.

	Leasehold Improvements	Motor Vehicles	Furniture & Fittings	Other	Total
	\$	\$	\$	\$	\$
<b>At 1 July 2011</b>					
Gross carrying amount	1,893	810	-	5,975	8,678
Accumulated depreciation and impairment	(11)	(240)	-	(3,199)	(3,450)
<b>Net Carrying Amount</b>	<b>1,882</b>	<b>570</b>	<b>-</b>	<b>2,776</b>	<b>5,228</b>
<b>At 30 June 2012</b>					
Gross carrying amount	1,682	271	232	7,232	9,417
Accumulated depreciation and impairment	(41)	(60)	-	(4,258)	(4,359)
<b>Net Carrying Amount</b>	<b>1,641</b>	<b>211</b>	<b>232</b>	<b>2,974</b>	<b>5,058</b>

#### Reconciliation

A reconciliation of the carrying amount of each class of plant and equipment at the beginning and end of the current reporting period is set out below:

	Leasehold Improvements	Motor Vehicles	Furniture & Fittings	Other	Total
	\$	\$	\$	\$	\$
<b>Year Ended 30 June 2012</b>					
Net carrying amount at start of year	1,882	570	-	2,776	5,228
Additions	-	271	232	1,256	1,759
Disposals	-	(518)	-	-	(518)
Depreciation	(241)	(112)	-	(1,058)	(1,411)
<b>Net Carrying Amount at End of Year</b>	<b>1,641</b>	<b>211</b>	<b>232</b>	<b>2,974</b>	<b>5,058</b>



## Chiropractic Council of New South Wales

### Notes to the Financial Statements

	Leasehold Improvements	Motor Vehicles	Furniture & Fittings	Other	Total
	\$	\$	\$	\$	\$
<b>At 1 July 2010</b>					
Transfer of net assets due to restructure	369	623	481	2,689	4,162
<b>Net Carrying Amount</b>	<b>369</b>	<b>623</b>	<b>481</b>	<b>2,689</b>	<b>4,162</b>

<b>At 30 June 2011</b>					
Gross carrying amount	1,893	810	-	5,975	8,678
Accumulated depreciation and impairment	(11)	(240)	-	(3,199)	(3,450)
<b>Net Carrying Amount</b>	<b>1,882</b>	<b>570</b>	<b>-</b>	<b>2,776</b>	<b>5,228</b>

#### Reconciliation

A reconciliation of the carrying amount of each class of plant and equipment at the beginning and end of the prior reporting period is set out below:

	Leasehold Improvements	Motor Vehicles	Furniture & Fittings	Other	Total
	\$	\$	\$	\$	\$
<b>Year Ended 30 June 2011</b>					
Net carrying amount at start of year	369	623	481	2,689	4,162
Additions	2,051	191	-	824	3,066
Disposals	-	(176)	-	-	(176)
Depreciation	(538)	(68)	(481)	(737)	(1,824)
<b>Net Carrying Amount at End of Year</b>	<b>1,882</b>	<b>570</b>	<b>-</b>	<b>2,776</b>	<b>5,228</b>

# Chiropractic Council of New South Wales

## Notes to the Financial Statements

### 10. INTANGIBLE ASSETS

The Council has an interest in intangible assets used by all health professional Councils. The asset is not owned individually by the Council. The amounts recognised in the financial statements have been calculated based on the benefits expected to be derived by the Council.

	Software Work in Progress	Software	Total
	\$	\$	\$
<b>At 1 July 2011</b>			
Cost (gross carrying amount)	725	9,016	9,741
Accumulated amortisation and impairment	-	(5,144)	(5,144)
<b>Net Carrying Amount</b>	<b>725</b>	<b>3,872</b>	<b>4,597</b>
<b>At 30 June 2012</b>			
Cost (gross carrying amount)	179	12,674	12,853
Accumulated amortisation and impairment	-	(8,237)	(8,237)
<b>Net Carrying Amount</b>	<b>179</b>	<b>4,437</b>	<b>4,616</b>
<b>Year Ended 30 June 2012</b>			
Net carrying amount at start of year	725	3,872	4,597
Additions	179	2,934	3,113
Transfers	(725)	725	-
Disposals	-	-	-
Amortisation	-	(3,094)	(3,094)
<b>Net Carrying Amount at End of Year</b>	<b>179</b>	<b>4,437</b>	<b>4,616</b>



## Chiropractic Council of New South Wales

### Notes to the Financial Statements

	Software Work in Progress	Software	Total
	\$	\$	\$
<b>At 1 July 2010</b>			
Transfer of net assets due to restructure	-	4,500	4,500
<b>Net Carrying Amount</b>	<b>-</b>	<b>4,500</b>	<b>4,500</b>
<b>At 30 June 2011</b>			
Cost (gross carrying amount)	725	9,016	9,741
Accumulated amortisation and impairment	-	(5,144)	(5,144)
<b>Net Carrying Amount</b>	<b>725</b>	<b>3,872</b>	<b>4,597</b>
	Software Work in Progress	Software	Total
	\$	\$	\$
<b>Year Ended 30 June 2011</b>			
Net carrying amount at start of year	-	4,500	4,500
Additions	725	4,043	4,768
Disposals	-	-	-
Amortisation	-	(4,671)	(4,671)
<b>Net Carrying Amount at End of Year</b>	<b>725</b>	<b>3,872</b>	<b>4,597</b>

#### 11. PAYABLES

	2012	2011
	\$	\$
Personnel services - Ministry of Health	16,741	16,878
Trade and other payables	54,376	27,362
	<b>71,117</b>	<b>44,240</b>

#### 12. FEES IN ADVANCE

	2012	2011
	\$	\$
Fees in advance	63,761	32,202
	<b>63,761</b>	<b>32,202</b>

Unearned revenue from NSW Regulatory Fees received on behalf of the Council by the HPCA from the AHPRA.

#### 13. PROVISIONS

	2012	2011
	\$	\$
<b>Non-Current</b>		
Make good	3,967	3,835
	<b>3,967</b>	<b>3,835</b>

# Chiropractic Council of New South Wales

## Notes to the Financial Statements

### Movement in provisions (other than personnel services)

Movements in each class of provision during the financial year, other than personnel services, are set out below:

	Make good 2012 \$
Carrying amount at the beginning of financial year	3,835
Additional provisions recognised	-
Amount used	-
Unused amounts reversed	-
Unwinding/change in discount rate	132
Carrying amount at the end of financial year	<u>3,967</u>

### 14. COMMITMENTS FOR EXPENDITURE

#### i. Capital Commitments

Aggregate capital expenditure for the acquisition of audio-visual equipment at Level 6 477 Pitt Street office contracted (2011 acquisition of a Monitoring and Complaints System and leasehold improvements) for at balance date and not provided for:

	2012 \$	2011 \$
Not later than one year	222	2,374
Later than one year and not later than five years	-	-
<b>Total (including GST)</b>	<u>222</u>	<u>2,374</u>

#### ii. Operating Lease Commitments

Future non-cancellable operating lease rentals not provided for and payable:

	2012 \$	2011 \$
Not later than one year	12,260	9,892
Later than one year and not later than five years	45,282	48,332
<b>Total (including GST)</b>	<u>57,543</u>	<u>58,224</u>

### 15. RELATED PARTY TRANSACTIONS

The Council has only one related party, being the HPCA, an administrative unit of the Health Administration Corporation.

The Council's accounts are managed by the Health Administration Corporation. Executive and administrative support functions are provided by the HPCA. All accounting transactions are carried out by the HPCA on behalf of the Council.



# Chiropractic Council of New South Wales

## Notes to the Financial Statements

### 16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no material unrecorded contingent assets and liabilities as at 30 June 2012.

### 17. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET RESULT

	2012 \$	2011 \$
Net result	(55,550)	92,880
Depreciation and amortisation	4,505	6,494
(Decrease)/Increase in receivables	24,960	(22,724)
Increase/(Decrease) in fees in advance	31,559	(150,896)
Increase/(Decrease) in payables	26,877	(9,187)
Increase/(Decrease) in provisions	132	(4)
Net gain/(loss) on sale of plant and equipment	(32)	87
<b>Net Cash used on Operating Activities</b>	<b>32,450</b>	<b>(83,350)</b>

### 18. FINANCIAL INSTRUMENTS

The Council's main risks arising from financial instruments are outlined below, together with the Council's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout the financial statements.

The Council has overall responsibility for the establishment and oversight of risk management and reviews and agrees on policies for managing each of these risks.

#### i. Financial Instrument Categories

Financial Assets	Note	Category	Carrying Amount 2012 \$	Carrying Amount 2011 \$
Class			\$	\$
Cash and Cash Equivalents	7	N/A	934,076	905,947
Receivables <sup>1</sup>	8	Loans and receivables (measured at amortised cost)	4,105	29,829
Financial Liabilities	Note	Category	Carrying Amount 2012 \$	Carrying Amount 2011 \$
Class			\$	\$
Payables <sup>2</sup>	11	Financial liabilities (measured at amortised cost)	71,117	44,240

Notes:

1. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).
2. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

## Chiropractic Council of New South Wales

### Notes to the Financial Statements

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#### ii. Credit Risk

Credit risk arises when there is the possibility of the Council's debtors defaulting on their contractual obligations, resulting in a financial loss to the Council. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Council, including cash, receivables, and authority deposits. No collateral is held by the Council. The Council has not granted any financial guarantees.

##### Cash

Cash comprises cash on hand and bank balances held by the Council and the HPCA on behalf of the Council. Interest is earned on the daily bank balances.

##### Receivables - Trade Debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. The Council is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors.

##### Authority Deposits

The Council has placed funds on deposit with the Commonwealth Bank. These deposits are fixed term, the interest rate payable by the bank is negotiated initially and is fixed for the term of the deposit.

The deposits at balance date were earning an interest rate of 3.40%, while over the year the weighted average interest rate was 4.20%. None of these assets are past due or impaired.

#### iii. Liquidity Risk

Liquidity risk is the risk that the Council will be unable to meet its payment obligations when they fall due. The HPCA on behalf of the Council continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment.

All payables are current and will not attract interest payments.

#### iv. Market Risk

The Council does not have exposure to market risk on financial instruments.



## Chiropractic Council of New South Wales

### Notes to the Financial Statements

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#### 19. EQUITY TRANSFERS

As a result of the commencement of the Law, assets and liabilities of the Chiropractors Registration Board were transferred to the newly established Chiropractic Council of New South Wales on 1 July 2010, and the former Chiropractors Registration Board was abolished.

The establishment of the Council and the transfer of assets and liabilities referred to above was classified as a restructure of administrative arrangements and accounted for in accordance with NSW Treasury's Accounting Policy: Contribution by owners made to wholly owned Public Sector Entities (TPP09-03) as a contribution by owners. Assets and liabilities were transferred at book values at 30 June 2010 per transferor entities as these book values were considered reasonable approximations of fair value to the Council, with a net credit to Equity of \$1,416,636.

Transactions and adjustments recognised on 1 July 2010 as a result of the restructure were as follows:

- a) The New South Wales Government Gazette No 90, dated 2 July 2010 ordered that the Council make the following payments:
  - i) An amount of \$641,776 to the NSW Department of Health in respect of an unrecorded liability for the Council's contribution towards the national registration implementation costs. This was treated as a transaction with owners and debited to Equity, and subsequently paid on 2 September 2010; and
  - ii) An amount of \$163,711 to the AHPRA being the estimated registration fees component of total fees received in advance by the former Board as at 30 June 2010. This amount was reclassified from Fees in Advance to Trade and Other Payables, and subsequently paid on 14 March 2011.
- b) Net adjustments to increase make-good provisioning by \$892 in respect of the fair value of leasing arrangements acquired.

#### 20. EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period to be included in the financial statements as of 30 June 2012.

**End of Audited Financial Statements**

# Appendix 1 - Legislative Changes

The following amendments were made to the *Health Practitioner Regulation National Law (NSW)* and the *Health Practitioner Regulation (New South Wales) Regulation 2010*.

## **Health Practitioner Regulation National Law (NSW)**

1. Amendments made by the *Health Services Amendment (Local Health Districts and Boards) Act 2011* (commenced 1 July 2011):

Amendments were made to Schedule 5C of the Law to reflect the replacement of Local Health Networks with Local Health Districts.

2. Amendments made by the *Health Legislation Amendment Act 2012* (commenced 21 June 2012):

An amendment was made to s 6A of the *Health Practitioner Regulation (Adoption of National Law) Act 2009* to remove impaired registrants panels from the definition of *adjudication body*.

Amendments to the *Health Practitioner Regulation National Law (NSW)*:

- Inclusion of s 3A which provides that in exercising a function under a NSW provision of the Law public protection is the paramount consideration.
  - Inclusion of s 143A which provides that a mandatory notification made to AHPRA is to be taken as a notification (complaint) for the purposes of Part 8 of the Law and for the purposes of the *Health Care Complaints Act 1993*.
  - Amendments to a range of sections to clarify that a Council may refer a person for psychological counselling in addition to medical and other types of counselling.
  - Amendments to a range of sections to provide that where a committee, panel or Tribunal is required to include a lay person, that person is to be someone who has never been registered as a practitioner or student in the relevant profession.
  - Amendment to s 159 to clarify that an appeal to the Tribunal from a decision by the Council is a hearing de novo.
  - Amendment to s 163 to provide that the Chairperson of the Tribunal may determine in a particular case that the Council is the “appropriate review body”.
  - Amendment to s 163A to provide that a disciplinary order of a Council may be reviewed
  - Amendment of s 163B to clarify that a practitioner who receives a “reinstatement order” from the Tribunal must still meet the registration requirements of the National Board.
  - A range of minor consequential amendments flowing from the above amendments were also made.
  - Section 41B to include the Aboriginal and Torres Strait Islander Health Practice Council, the Chinese Medicine Council, the Medical Radiation Practice Council and the Occupational Therapy Council in the table of Councils established by that section.
3. Amendments made by the *Health Practitioner Regulation National Law (NSW) Amendment (Health Professions) Order 2012* (commenced 1 July 2012):

Amendments were made to s 41B to include the Aboriginal and Torres Strait Islander Health Practice Council of New South Wales, the Chinese Medicine Council of New South Wales, the Medical Radiation Practice Council of New South Wales and the Occupational Therapy Council of New South Wales in the table of Councils established by that section.

Amendments were made to s 165 to include the Aboriginal and Torres Strait Islander Health Practice Tribunal of New South Wales, the Chinese Medicine Tribunal of New South Wales, the Medical Radiation Practice Tribunal of New South Wales and the Occupational Therapy Tribunal of New South Wales in the table of Tribunals established by that section.

***Health Practitioner Regulation (New South Wales) Regulation 2010***

1. Amendments made by the *Statute Law (Miscellaneous Provisions) Act 2011* (commenced 8 July 2011):  
An amendment to Clause 24 of a savings and transitional nature.
2. *Health Practitioner Regulation (New South Wales) Amendment (Savings and Transitional) Regulation 2011* (commenced 22 July 2011):  
An amendment of a savings and transitional nature to ensure that a person who became a member of a State Board of the National Board by virtue of the transitional provisions in the Law did not cease to hold that office due to the expiry of their former term of office as a member of the local Registration Board
3. *Health Practitioner Regulation (New South Wales) Amendment Regulation 2012*  
An amendment to insert Clause 3A to the Regulation, setting out the membership of the four new Professional Councils established on 1 July 2012 (commenced 3 February 2012).  
A consequential amendment to Clause 4 of the Regulation flowing from the insertion of Clause 3A (commenced 1 July 2012).
4. *Health Practitioner Regulation (New South Wales) Amendment (Health Professional Councils) Regulation 2012* (commenced 1 July 2012):  
Amendments to include Clause 4A and Schedules 1A and 1B to the Regulation to provide for the membership of the Dental, Medical, Nursing and Midwifery, Pharmacy, Physiotherapy and Psychology Councils.

# Appendix 2 - GIPA Statistics 2011/2012

## Government Information (Public Access) Act 2009

**Table A: Number of applications by type of applicant and outcome\***

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	0	0	0	0	0	0	0

\* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

**Table B: Number of applications by type of application and outcome**

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

\* A *personal information application* is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**Table C: Invalid applications**

Reason for invalidity	No of applications
Application does not comply with formal requirements (s 41 of the Act)	0
Application is for excluded information of the agency (s 43 of the Act)	0
Application contravenes restraint order (s 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

**Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act**

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

\* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**Table E: Other public interest considerations against disclosure: matters listed in table to s 14 of Act**

	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	0
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	0

**Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)**

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under s 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

\* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

# **Appendix 3 - Members of Tribunals 2011/2012**

## **Chiropractic Tribunal**

### **Chairperson**

Ms Joanne Muller

### **Deputy Chairperson**

Ms Phillipa Gormly

### **Professional members**

Dr Suellen McKelvey

Dr Roger Engel

Dr Bryce Conrad

Dr Joseph Ierano

### **Lay persons**

Mrs Sandra Everett

Ms Jacqueline Milne

# Glossary

## Adjudication Body

A panel, Tribunal or Court can be declared an adjudication body for the purposes of the Law

## Cancellation

- A Council may recommend the suspension or cancellation of a practitioner's registration if the practitioner does not have sufficient physical and mental capacity to practice the practitioner's profession
- A Council may recommend the suspension or cancellation of a student's registration if the student has an impairment

## Complainant

A person who makes a notification (complaint) to a health complaint entity:

- Health Professional Councils Authority (HPCA)
- Health Care Complaints Commission (HCCC)
- Australian Health Practitioner Regulation Agency (AHPRA)

## Conciliation

The Council may refer a complaint to the HCCC for conciliation, whereby the parties involved can negotiate a resolution

## Caution

A caution is a formal warning intended to act as a deterrent to a practitioner not to repeat conduct. This is a less serious outcome than a reprimand

## Condition

A condition aims to restrict a practitioner's practice in some way, to protect the public

## Notification

A notification (complaint) can be either a voluntary notification or a mandatory notification. A voluntary notification is about behaviour which presents a risk but is not as serious as a mandatory notification

## Notifiable Conduct / Mandatory Reporting

Notifiable conduct includes practising whilst intoxicated, engaging in sexual misconduct, placing the public at risk of substantial harm due to an impairment or a departure from accepted professional standards

## Open Matter

A notification (complaint) remains open until such time as a final outcome/decision has been determined by the Council or other decision-making entity under the Law, such as a Tribunal, Professional Standards Committee, Performance Review Panel or Court. This decision disposes of the matter

## Order

An order is a decision, condition or restriction placed on a practitioners registration or practice

## Professional Misconduct

Unsatisfactory professional conduct of a sufficiently serious nature to justify suspension or cancellation of the practitioner's registration

## Reprimand

A reprimand is a formal rebuke or chastisement for inappropriate and unacceptable conduct and appears on a practitioner's registration

## Stage

This refers to the stage at which a matter has been closed. These include:

- Assessment
- Conduct
- Health
- Performance
- Investigation
- Panel (IRP, PRP, PSC)
- Tribunal
- Appeal/Court

## Stream

**Health:** a practitioner who may have a physical or mental impairment, disability, condition or disorder that detrimentally affects, or is likely to detrimentally affect their capacity to practise their profession

**Conduct:** behaviour by a practitioner that may be categorised as professional misconduct or unsatisfactory professional conduct

**Performance:** professional performance that is considered unsatisfactory because it is below the standard reasonably expected of a practitioner of an equivalent level of training or experience

## Supervision

Supervision is the performing of one's duties or practice under the supervision of another similarly qualified practitioner

## Unsatisfactory Professional Conduct

Conduct which is significantly below reasonable standards, in contravention of the Law or regulations or conditions of registration, failure to comply with order/decision of Committee or Tribunal by:

- accepting benefit for referral or recommendation to health provider or health product,
- engaging in over servicing,
- failure to disclose pecuniary interest or offering a benefit for referral or recommendation
- supervision of assistants, or
- other unethical or improper behaviour

## Abbreviations

### AABS

Australian Accounting Standards Board

### AHPRA

Australian Health Practitioner  
Regulation Agency

### ATO

Australian Taxation Office

### AustLII

Australasian Legal Information Institute

### CAP

Council appointed practitioner

### CAPS

Coaching and Performance System

### CPI

Consumer Price Index

### DP

Director of Proceedings

### DPP

Director of Public Prosecutions

### EEO

Equal Employment Opportunity

### FTE

Full-time Equivalent

### GIPA Act

Government Information (Public Access)  
Act 2009

### GST

Goods and Services Tax

### HAC

Health Administration Corporation

### HCCC

Health Care Complaints Commission

### HPCA

Health Professional Councils Authority

### IAB

Internal Audit Bureau

### IRP

Impaired Registrants Panel

### MOH

Ministry of Health

### NB

National Board

### NRAS

National Registration and Accreditation  
Scheme

### PA

Performance Assessment

### PRP

Performance Review Panel

### SLA

Service level agreement

### The Law

Health Practitioner Regulation National  
Law (NSW) No 86a

### TRIM

Total Records Information Management

### WRAPP

Waste Reduction and Purchasing Policy



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