

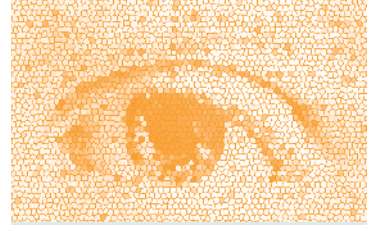
# Annual Report

1 April 2010 to 31 March 2011



Optometrists and  
Dispensing Opticians Board

Te Poari o ngā Kaimātai Whatu me ngā Kaiwhakarato Mōhiti



## Foreword from Board Chairperson

The 2010-11 year has been an eventful and interesting one for the Board with the conclusion of a major recertification programme, the development and launch of our new website, and continuing development and consolidation of our policy framework.

We undertook consultations on a range of regulatory issues, including:

- finalising a CPD recertification programme for optometrists
- revising the Standards of Clinical Competence for optometrists
- revising the Standards of Ethical Conduct for optical dispensing
- a new Policy on Fitness to Practise (Health)
- a new Statement on Release and Receipt of Patient Information
- a proposed new prescribed qualification for registration in the optical dispensing scope of practice
- a proposed new prescribed qualification for registration in the optometry (TPA endorsement) scope of practice.

Board members have worked diligently through some challenging issues and cases to fulfill our obligations to the public and professions. I would like to record my appreciation for their dedication.

The Board held face to face meetings in June, October and January and as the need arose convened for a number of teleconferences through the year.

During this time we farewelled former Deputy Chair Hywel Bowen and dispensing optician Mike Firmston. Hywel served as Deputy Chair and made a very significant and much appreciated contribution to the Board's work in a number of areas including the Competence Review Committee, and the Continuing Professional Development Accreditation Committee. He was also our representative on the HRAS Board. We wish him well for the future and were very pleased to welcome Damian Koppens to take his place. Mike Firmston departed after serving the Board for nine years. During this period he was active in developing the scopes of practice and prescribed qualifications for dispensing opticians under the HPCAA, provided oversight of finance and worked tirelessly on our legislation committee. Mike in my view is a true statesman for his profession- his contribution to the work of the Board has been exceptional.

The 31st March 2010 saw the Board's Diagnostic Pharmaceutical Agent recertification programme come to a close ensuring that the public could have confidence in the diagnostic expertise of the optometry profession. This five year programme of teaching, upskilling and assessment relied on the efforts of many members of the profession. I would like to thank the many people who helped bring the programme to a successful conclusion. A report on results is included in this Annual Report.

Our new website was launched in August. We believe it to be an important communication tool; a view supported by the steadily rising number of visitors and downloads of policy, registration and consultation documents.

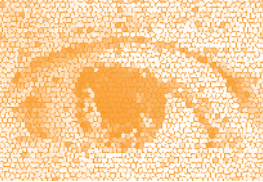
Finally I would like to recognise Rachael Thorn our Registrar and Brooke Matthews our Deputy Registrar for their conscientious and skillful work. The Board values greatly their contribution to its efficient and cost-effective functioning.

I was elected Chair in January 2011, and would like to acknowledge my predecessor John McLennan's huge contribution to the role, as he has led the Board through a period of significant development.

**Richard Lobb**  
**Chairperson**

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Board membership as at 31 March 2011 was as follows:

<b>Chair</b>	Richard Lobb ( <i>optometrist</i> )
<b>Deputy Chair</b>	Ruth Spelman ( <i>lay member</i> )
<b>Dispensing optician members</b>	John Billings, Lorraine Helson, ( <i>one position vacant</i> )
<b>Optometrist members</b>	Andrew Black, Kylie Dreaver, Damian Koppens, John McLennan
<b>Lay members</b>	Caryl Blomkvist, Kiri Rikihana

There was one change in membership during the year, with Hywel Bowen, optometrist, being replaced by Damian Koppens in September 2010. Mike Firmston, dispensing optician, completed a 9 year term in September 2010 and was not replaced.

### Key Issues

Over the year the Board has continued to focus on the main goals in the Strategic Plan it adopted in January 2009, which are:

1. To continue to implement the Board's functions as required under section 118 of the HPCAA
2. To enhance the governance and management of the Board
3. To communicate to the public, professions and government.

As noted above, the Board has completed a huge regulatory policy development workplan to ensure it continues to implement the Act in a fair, consistent and cost-effective way. It has also undertaken a similarly large workplan in developing and updating internal policies to ensure that the Board governs and operates as efficiently and effectively as possible. The development of our new website has also provided us with a cost-effective way of communicating with our stakeholders. Among other things, it has provided improved technology allowing us to reduce our communications costs while increasing newsletter updates from bi-annually to quarterly.

In February 2011, Health Workforce New Zealand consulted with regulatory authorities on a proposal to consolidate the secretariat services of all 16 regulatory authorities into one unit. The Board identified a number of concerns about the assumptions made in that consultation and at the close of the year was in the process of preparing its submissions on the matter, as were other regulatory authorities.

## Report from Board Registrar

This has been a hugely productive year in which the Board has completed some significant policy and project work on top of day to day operations. We acknowledge that this would not have been achievable without the contributions from co-opted and ad hoc committee members, as well as members of the optometry and optical dispensing professions throughout New Zealand who provide us with input and feedback on various issues. We value these interactions and encourage stakeholders to continue to engage with us and to respond when we seek views. In return, we aim to provide clear information about decisions the Board makes, and the reasons for those decisions.

The Board continues to fulfill its many obligations under the HPCAA and other legislation with just two staff members. With a comparatively high number of competence and discipline matters to deal with this year, our case work has been busy and challenging. We continue to develop our operational policies and processes to streamline this work and provide clear information to practitioners about our systems. We receive efficient support from Health Regulatory Authorities Secretariat (HRAS) staff in relation to finance and general office operations.

Our secretariat support in the coming year will change slightly with some amendments to the HRAS structure. Since 2008 Board staff have shared secretariat services and office space with staff from four other small regulatory authorities. Over the course of this year a review has been undertaken of that arrangement, and some changes have been made which will come into effect in the year beginning 1 April 2011. This includes the departure of two of the five authorities to work with other entities, and a consequent reduction in office space. The three remaining authorities are committed to working cooperatively together in the interests of cost containment and sharing of knowledge.

I would like to thank Brooke Matthews for her hard work in the Deputy Registrar role, and the Board members for their support of, and commitment to, their staff.

**Rachael Thorn**  
**Registrar**

## Registration of, and practising certificates for, health practitioners

### Scopes of practice – optometrists

There are four optometrist scopes of practice. Over the course of the year, the Board completed its review of the standards of clinical competence for all four optometrist scopes of practice, and released the revised standards of clinical competence on 3 December 2010.

### Scopes of practice – dispensing opticians

There is one scope of practice for optical dispensing. No amendments have been made to the scope of practice during the year.

### Accreditation and qualifications – optometrists

In June 2011, following consultation, the Board prescribed the Assessment of Competence in Ocular Therapeutics (ACOT) administered by the Optometry Council of Australia and New Zealand (OCANZ) as a qualification for registration in the Optometrist (therapeutic endorsement) scope of practice. The ACOT is a pathway for appropriately qualified overseas trained optometrists to register in this scope of practice without having to retrain.

### Accreditation and qualifications – dispensing opticians

In December 2009 the Board received an application from the Royal Melbourne Institute of Technology (RMIT), Melbourne to have its Certificate IV in Optical Dispensing prescribed as a qualification for registration in the optical dispensing scope of practice. During the year the Board undertook a comprehensive review of the qualification and at the close of the year was consulting on a proposal to prescribe the qualification.

### Registration

Table 1: Applications for registration

HPCAA Section	Number	Outcomes		
		Registered	Registered with Conditions	Not Registered
15 Optometrists	37	37	–	–
Dispensing Opticians	26	26		

Table 1(a): Registrations by qualification – Optometrists

Qualification	Applications approved 2010-2011	Applications approved 2009-2010
BOptom, Auckland University	28	35
Pass in the OCANZ examination	4	2
Trans Tasman Mutual Recognition Act	4	4
Other (educator scopes)	1	2
<b>Total new registrations</b>	<b>37</b>	<b>43</b>
Change in scope of practice from optometrist to optometrist (TPA endorsement)	27	21

Table 1(b): Registrations by qualification – dispensing opticians

Qualification	Applications approved 2010-2011	Applications approved 2009-2010
OTEN/TAFE NSW Certificate IV in Optical Dispensing	22	14
FBDO	4	8
Trans Tasman Mutual Recognition Act	0*	2
Other (section 15(2)) assessment	–	1
<b>Total</b>	<b>26</b>	<b>25</b>

\*Optical dispensing was deregulated in Australia on 1 July 2010 so the TTMRA no longer applies to this profession.

## Annual practising certificates

The Board dealt with a number of applications for practising certificates during the year in relation to practitioners who had failed to meet the required standard of competence, and those who were returning to the workforce after three years or more. The results of these cases are expressed in Table 2.

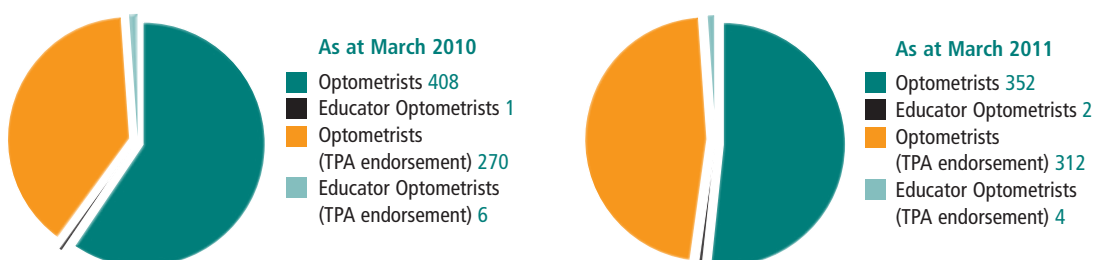
**Table 2: Applications for an annual practising certificate**

	HPCAA Section	Number	Outcomes			
			APC	APC with Conditions	Interim	No APC
Total applications	26	Optoms 674 DOs 211	655 204	15 7	– –	4 –
<b>Reasons for non-issue</b>						
Competence	27 (1) a	Optoms 14 DOs 3		10 3	– –	4 –
Failed to comply with a condition	27 (1) b	–	–	–	–	–
Not completed required competence programme satisfactorily	27 (1) c	–	–	–	–	–
Recency of practice	27 (1) d	Optoms 1 DOs 4	– –	1 4	– –	– –
Mental or physical condition	27 (1) e	–	–	–	–	–
Not lawfully practising within 3 years	27 (1) f	–	–	–	–	–
False or misleading application	27 (3)	–	–	–	–	–

Distribution of practising optometrists across the two main scopes of practice (optometrist, and optometrist TPA endorsement) continues to move, with an overall increase since last year of 42 TPA endorsed practising optometrists, while there are 56 fewer optometrists practising without a TPA endorsement. There has been a slight drop in the total number of practising optometrists during the year.

On 31 March 2011 there were 211 practising dispensing opticians, compared with 191 on 31 March 2010. This upward trend follows similar sized increases in previous years.

**Chart 2(b): Practising optometrists by scope of practice**



## Competence, fitness to practise, and quality assurance

### Performance

The Board continues to utilise practitioner self audits as a competence assurance tool. Poor results in a self audit were the sole source of referral to a competence review under section 36 of the Act. Although the number of such referrals is still small, the self audit appears to be a good indicator of the types of concerns that will be found in the course of a competence review.

The number of competence reviews ordered this year is double that of last year.

**Table 3: Competence referrals**

Source	HPCAA Section	Number
Health Practitioner (Under RA)	34 (1)	
Health and Disability Commissioner	34 (2)	
Employer	34 (3)	
Other (Board self audit process)	36 (4)	6
<b>Total</b>		<b>6</b>

**Table 4: Outcomes of competence referrals**

Outcomes	HPCAA Section	Number			
		Existing	New	Closed	Still Active
No further action		Not applicable		Not applicable	Not applicable
(Total number)	36	3	Optoms 4 DOs 2	Optoms 3 DOs 1	Optoms 2
Initial inquiries					
Notification of risk of harm to public	35	–	–	–	–
Orders concerning competence	38	–	Optoms 2* DOs 1*	–	–
Interim/suspension conditions	39	–	–	–	–
Competence programme	40	–	Optoms 2* DOs 1*	–	–
Recertification programme	41	–	–	–	–
Unsatisfactory results of competence or recertification programme	43	–	75#	7	68

\* Practitioners may be represented under both "orders concerning competence" and "competence programme."

# DPA recertification programme.

## Recertification/continuing competence

### Diagnostic pharmaceutical agent recertification programme

On 31 March 2010 the five year DPA recertification programme run by the Board came to an end, and all optometrists who wished to continue practising in New Zealand were required to have demonstrated competence in the use of DPAs by that date. The use of DPAs is a key element of the practice of optometry, and diagnostic techniques are required to practise optometry competently in New Zealand. If an optometrist is not using or is not able to use these techniques then the optometrist is not able to properly examine the patient (and investigate certain symptoms and exclude certain relatively common conditions) to the standard required by the Board, and the patient is at risk of having any pathology missed.

A restricted activity under the Act is directly related to the profession of optometry. That restricted activity relates to: *“prescribing of an ophthalmic appliance, optical appliance or ophthalmic medical device intended for remedial or cosmetic purposes or for the correction of a defect of sight.”* The restriction is intended to address the significant risk of asymptomatic eye disease associated with the dispensing of an ophthalmic appliance, optical appliance or ophthalmic medical device, without the first step of a diagnosis by a registered health practitioner.

Given the link between the restriction of this activity to the practice of optometry, the purpose of the DPA recertification programme was to satisfy the Board that all practising optometrists had been shown to be competent in the use of DPAs and the associated procedures in order to appropriately diagnose eye disease.

Eight optometrists who had held practising certificates in the previous year and who had not satisfied the requirements of the DPA recertification programme were suspended under section 43(1)(a) (ii) of the Act. Four of these optometrists had also applied for practising certificates were declined practising certificates. Of the eight suspended, five had since met requirements and returned to practice, while the remaining three were still suspended as of 31 March 2011.

The Board also altered the scope of practice for 67 non-practising optometrists (most of whom were living overseas and/or had never practised in New Zealand) by including a condition in their scope of practice requiring that they demonstrate competence in the use of DPAs before the Board would issue them with an annual practising certificate.

### CPD recertification programmes

On 1 April 2010 the Board introduced a CPD recertification programme for dispensing opticians. This essentially adopted the Board's existing competence assurance requirements into a cyclical two year programme. All practising dispensing opticians are required to obtain 20 CPD credits every two years, and up to 40 percent will also be asked to complete a random self audit of their practice during that time. The first recertification cycle for dispensing opticians finishes on 30 November 2011.

On 1 November 2010 a similar programme was introduced for optometrists. All optometrists are required to obtain 20 general CPD credits and 20 clinical diagnostic CPD credits in a two year period, and up to 40 percent will also be asked to complete a random self audit of their practice during that time. The first recertification cycle for optometrists finishes on 31 October 2012.



## Health/Fitness to practise

There have been no referrals to the Board under section 45 of the Act this year. The Board has however consulted on and established a Policy on Fitness to Practise of Optometrists and Dispensing Opticians, which outlines how it deals with any concerns that a practitioner's health may be affecting their ability to perform the functions of their profession.

## Complaints and discipline

### Complaints

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

Source	Number	Outcome		
		No Further Action	Referred to Professional Conduct Committee	Referred to the Health and Disability Commissioner
Consumers	1			1
Referred by the Health and Disability Commissioner				Not applicable
Health Practitioner (Under RA)				
Other Health Practitioner				
Courts notice of conviction				
Employer				
Other				

### Professional Conduct Committees (PCCs)

This year was the first year that any matters have been referred by the Board to PCCs. Four cases were referred by the Board to PCCs, all relating to practitioners practising without a practising certificate (and in two cases for additional related matters that the Board considered warranted investigation).

**Table 8: Professional Conduct Committee cases**

Nature of Issue	Source	Number	Outcome
Fraudulent claiming			
Concerns about standards of practice			
Notification of conviction			
Theft			
Conduct			
Practising outside scope			
Practising without annual practising certificate	Board	4	1 NFA 1 s 80(2)(e) recommendation 1 referral to HPDT 1 outcome pending
Other			

### Health Practitioners Disciplinary Tribunal

In one of the three completed cases considered by PCCs, charges were laid with the Health Practitioners Disciplinary Tribunal. The matter was heard on 30 March 2011 and the practitioner was found guilty of having practised without a practising certificate. The practitioner was censured, and fines and costs were awarded to the Board.

## Appeals and judicial reviews

There have been no appeals or judicial reviews against decisions made by the Board in this financial year.

## Linking with stakeholders

The Board has worked collaboratively with both the Association of Dispensing Opticians New Zealand (ADONZ) and the New Zealand Association of Optometrists (NZAO) to complete a review of the Code of Ethics for each profession. The Code of Ethics for Dispensing Opticians has been adopted, while discussion and consultation continues for the Code of Ethics for Optometrists.

On 1 July 2010, major health regulatory change came into place in Australia, disestablishing state authorities and creating one national Board for each of the regulated professions. At the same time, optical dispensing was deregulated. Board representatives met with representatives from the Optometry Board of Australia in June 2010 to establish relationships and discuss matters of common interest. This will likely become an annual event.

The Board also continues to work closely with our New Zealand/Australian joint examination and accreditation body, OCANZ.

## HRANZ Collaborations

HRANZ is an organisation made up of all the health regulatory authorities of New Zealand. It meets periodically to discuss matters of common interest, both at an operational and a strategic level. The Board is an active participant in HRANZ work, and considers it an important vehicle for improving regulation across the health professions. One of its key projects during the year was the development of an intranet so that RAs can share policies, general legal advice obtained, and other helpful documents. The project was near completion at the end of the year.

## Contacting the Board

### *All correspondence should be addressed to:*

The Registrar  
Optometrists and Dispensing Opticians Board  
P O Box 10-140  
Wellington 6143

### *Secretariat Staff:*

Rachael Thorn (Registrar)  
Brooke Matthews (Deputy Registrar)

### *The Board's office is located at:*

Level 3, Freemason House  
195-201 Willis Street  
Wellington 6011

**Tel:** (64) (4) 474 0705

**Fax:** (64) (4) 474 0709

**E-mail:** registrar@odob.health.nz

**Web:** www.odob.health.nz

PKF Martin Jarvie  
Chartered Accountants



**INDEPENDENT AUDITOR'S REPORT**  
**TO THE READERS OF OPTOMETRISTS AND DISPENSING OPTICIANS BOARD'S**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011**

The Auditor-General is the auditor of the Optometrists and Dispensing Opticians Board (the Board). The Auditor-General has appointed me, Paolo Ryan, using the staff and resources of PKF Martin Jarvie, to carry out the audit of the financial statements of the Board on her behalf.

We have audited the financial statements of the Board on pages 12 to 16, that comprise the statement of financial position as at 31 March 2011, the statement of financial performance and statement of movements in equity for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

**Opinion**

In our opinion the financial statements of the Board on pages 12 to 16:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Board's:
  - financial position as at 31 March 2011; and
  - financial performance for the year ended on that date.

Our audit was completed on 31 August 2011. This is the date at which our opinion is expressed.

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

**Basis of Opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Board's preparation of financial statements that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.

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Accountants &  
Business Advisers

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Board;
- the adequacy of all disclosures in the financial statements; and;
- the overall presentation of the financial statements.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### **Responsibilities of the Board**

The Board is responsible for preparing financial statements that:

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

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

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

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

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

#### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

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

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

#### **Matters relating to the electronic presentation of the audited financial statements**

This audit report relates to the financial statements of the Optometrists and Dispensing Opticians Board (the Board) for the year ended 31 March 2011 included on the Board's website. The Board is responsible for the maintenance and integrity of the Board's website. We have not been engaged to report on the integrity of the Board's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements as well as the related audit report dated 31 August 2011 to confirm the information included in the audited financial statements presented on this website.

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

OPTOMETRISTS AND  
DISPENSING OPTICIANS  
BOARD

STATEMENT  
OF FINANCIAL  
PERFORMANCE  
for the year ended  
31 March 2011

Note	2011 \$	2010 \$
<b>REVENUE</b>		
	18,800	16,271
	17,363	5,616
	513,181	504,952
	15,452	26,124
	<b>564,796</b>	<b>552,963</b>
<b>Less Expenses</b>		
	888	780
	624	689
	4,000	3,915
	42,175	28,587
	9,386	8,096
	43,585	33,534
	2,288	1,234
	168	389
	1,266	797
	63,490	45,264
	6,789	3,821
	108,015	90,322
	0	28,400
	2,580	2,217
	3,897	3,891
	64,263	27,001
	414	198
	0	77
	4,924	5,484
	3,467	9,021
	14,666	5,590
	1,225	616
	15,286	16,383
	145	230
	0	2,478
	31,997	28,072
	1,554	7,626
	740	480
	7,296	3,725
	34,338	24,109
	424	384
	711	0
	121,361	108,626
	858	1,210
	<b>592,820</b>	<b>493,246</b>
	<b>(28,024)</b>	<b>59,717</b>
	3,662	4,081
	<b>(\$31,686)</b>	<b>\$55,636</b>

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

**OPTOMETRISTS AND  
DISPENSING OPTICIANS  
BOARD**

**STATEMENT  
OF MOVEMENTS  
IN EQUITY  
for the year ended  
31 March 2011**

	Note	2011 \$	2010 \$
<b>EQUITY AT START OF PERIOD</b>		276,971	221,335
Net Surplus/(Deficit) for the year		(31,686)	55,636
Total recognised revenues & expenses		(31,686)	55,636
<b>EQUITY AT END OF PERIOD</b>		<b>\$245,285</b>	<b>\$276,971</b>

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

OPTOMETRISTS AND  
DISPENSING OPTICIANS  
BOARD

STATEMENT  
OF FINANCIAL  
PERFORMANCE  
as at 31 March 2011

	Note	2011 \$	2010 \$
<b>CURRENT ASSETS</b>			
Westpac Cheque Account		266,780	421,696
Westpac Bank Disciplinary Fund		19,453	50,000
Westpac Term Deposits		328,387	312,680
Westpac OnLine Saver		200,436	0
Accounts Receivable		1766	506
Accrued Income		2,361	3,332
<b>Total Current Assets</b>		<b>819,183</b>	<b>788,214</b>
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	5	2,320	4,016
Intangible Asset – Website	6	11,923	0
Loan to Health Regulatory Authorities Secretariat Ltd	4	5,000	5,000
Investments			
Investment in Health Regulatory Authorities Secretariat Ltd	3	20	20
<b>Total Non-Current Assets</b>		<b>19,549</b>	<b>9,036</b>
<b>TOTAL ASSETS</b>		<b>838,446</b>	<b>797,250</b>
<b>CURRENT LIABILITIES</b>			
GST due for payment	1(e)	59,353	47,456
Accounts Payable		60,690	30,802
Income in Advance		465,290	435,550
KiwiSaver Deductions Payable		546	505
PAYE/Student Loan Payable		3,373	3,174
WHT Payable		3,909	2,792
<b>Total Current Liabilities</b>		<b>593,161</b>	<b>520,279</b>
<b>TOTAL LIABILITIES</b>		<b>593,161</b>	<b>520,279</b>
<b>NET ASSETS</b>		<b>\$245,285</b>	<b>\$276,971</b>
<b>EQUITY</b>			
Retained Earnings		245,285	276,971
<b>TOTAL EQUITY</b>		<b>\$245,285</b>	<b>\$276,971</b>

Chairperson:



Registrar:



Date: 31 August 2011

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

## **1. STATEMENT OF ACCOUNTING POLICIES**

### **REPORTING ENTITY**

The Optometrists and Dispensing Opticians Board is constituted under the Health Practitioners Competence Assurance Act 2003. These financial statements have been prepared in accordance with the Financial Reporting Act 1993.

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

### **GENERAL ACCOUNTING POLICIES**

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

### **SPECIFIC ACCOUNTING POLICIES**

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

Annual Practising Certificate Income is recorded only upon receipt. No Accounts Receivable are recognised and receipts for Annual Practising Certificates issued for future years are shown as Income Received in Advance.

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

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

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

Fixed Assets are shown at original cost less accumulated depreciation. Depreciation has been calculated over the expected useful life of the assets at the following rates:

Office Equipment                      20% – 100% Straight Line

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

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

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

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

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

#### **(f) Income Tax**

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

#### **(g) Investments**

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

## **2. CONTINGENT LIABILITIES AND COMMITMENTS**

There are contractual commitments to New Zealand Association of Optometrists of \$75,000 per annum. The contract expires on 31 October 2013, therefore the remaining commitment will be \$193,750 (2010 \$43,750).

There are contractual commitments to Association of Dispensing Opticians of New Zealand of \$22,080 per annum to November 2012, therefore the remaining commitment will be \$34,960 (2010 \$8,605).

At balance date there are no contingent liabilities.



OPTOMETRISTS AND  
DISPENSING OPTICIANS  
BOARD

NOTES TO THE  
FINANCIAL  
STATEMENTS  
for the year ended  
31 March 2011

**3. INVESTMENT**

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

**4. RELATED PARTIES**

HRAS provides administrative services to the Board on a non-profit cost recovery basis. The cost of those services for the year was \$31,997 (2010 \$28,072).

The five shareholding boards in HRAS have each advanced \$5,000 to that company to provide it with working capital.

**5. FIXED ASSETS**

	2011	2010
	\$	\$
<b>Office Equipment</b>		
At cost	12,020	12,020
Less Accumulated Depreciation	9,700	8,004
<b>Total</b>	<b>2,320</b>	<b>4,016</b>

**6. INTANGIBLE ASSETS**

	2011	2010
	\$	\$
<b>Website</b>		
At cost	13,890	0
Less Accumulated Depreciation	1,967	0
<b>Total</b>	<b>11,923</b>	<b>0</b>

**7. FINANCIAL MANAGEMENT AGREEMENT**

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

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

At 31st March 2011 the HRAS Statement of Financial Position showed net assets of \$100.

**8. CHANGE IN RELATIONSHIP WITH HRAS**

The entities have agreed that with effect from 1st April 2011 that the Podiatrists Board and the Osteopathic Council will withdraw from the arrangement, although certain limited services will be provided by HRAS until mid July 2011. The shareholding held by the two withdrawing entities will be transferred in equal proportions to the remaining entities.