



Te Kaunihera Tapuhi o Aotearoa
Nursing Council of New Zealand

Report of the

Nursing Council of New Zealand

for the year ended 31 March 2008

*Ki te whakarite i nga ahuatanga o nga Tapuhi e pa ana mo nga iwi katoa
Regulating nursing practice to protect public safety*



Report of the

Nursing Council of New Zealand

for the year ended 31 March 2008

Presented to the Minister of Health
pursuant to Section 134
of the Health Practitioners Competence Assurance Act 2003

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Foreword



Nursing Council of New Zealand members as at 31 March 2008

Back (left to right) Margaret Millard, Kathrine Townshend, Roxanne McKerras, Christine Payne
Front (left to right) Margaret Southwick (Deputy Chairperson), Beverley Rayna (Chairperson), Noeline Warmington

The Nursing Council of New Zealand has much pleasure in presenting its Annual Report for the year ended 31 March 2008.

The Nursing Council is appointed by the Health Practitioners Competence Assurance Act 2003 as the authority in respect of the nursing profession to protect the health and safety of the public by ensuring that nurses are safe and competent to practise.

The activities of the Nursing Council are guided by the Treaty of Waitangi and the values of respect, accountability and equity. The Council's mission is building confidence in nursing practice.

The Council has identified four strategic issues:

- leadership in nursing regulation nationally and internationally
- an increasingly complex and diverse environment
- commitment to the Treaty of Waitangi
- confidence in the competency framework.

Activities to achieve these are outlined in this report.

Chairperson's report



The Council's primary objective is *regulating nursing practice to protect public safety*, a reflection of its obligations under the Health Practitioners Competence Assurance Act 2003 (HPCA Act), and one that the Council actively sought to fulfil.

Just prior to the beginning of the year, the Council reviewed its strategic plan and identified major projects for the year, which included:

- evaluation of the competence assessment framework
- review of the impact of tertiary education policies on nursing education
- review of conditions within scopes of practice.

The Council invested considerable effort in the development of new competencies for the nurse practitioner scope of practice. Draft competencies were developed and circulated to stakeholders and the submissions received in response were being considered as at the end of the year. The Council is also reviewing both the strategic vision for nurse practitioner practice in New Zealand and the nurse practitioner scope statement.

One of the functions of the Council under the HPCA Act is to set standards of clinical competence, cultural competence and ethical conduct for the profession. As part of this function, the Council reviewed its role in setting standards. The Council will set standards related to scope of practice, continuing competence and conduct as a professional. A number of existing Council documents have been incorporated into this framework. The Council will also develop guidelines and position statements but will not set or endorse standards for specialty areas of practice. It will continue to support professional organisations and groups within the profession to develop standards that will protect the public and enhance standards of care.

Following the unsuccessful appeal to the High Court by some nurse assistants against the title of their scope of practice, the New Zealand Nurses Organisation last year sought the intervention of the Regulation Review Committee, which recommended to Parliament that the Council's gazette notice be amended so that it would not have a "retrospective effect on the title of the second level nurses who began training or graduated between the year 2000 and September 18 2004".

The Council carefully considered the matter before deciding to implement the recommendation in the interests of having the change made in a way that enables us to uphold our responsibilities to ensure public safety. Following consultation, the Council resolved to respond to the Minister that Council had consulted as directed, that no clear direction had emerged, and that it preferred to defer making a decision on the change of title until after the Ministry of Health Advisory Committee has reported.

One legal decision during the year was of particular interest to the Council. This concerned a nurse who had appealed to the District Court against the Council's decision to suspend her for failing to complete a competence programme within the time frame set by the Council. This was the first time that an appeal had been made against a Council decision involving the competence provisions of the Health Practitioners Competence Assurance Act 2003, thereby setting a precedent of considerable significance. The District Court upheld the decision of the Council.

The Council has continued to be proactive in its provision of leadership for the nursing profession, both nationally and internationally. In this regard, the Council made a number of submissions on relevant government policy, health issues, development of the nursing profession and other public policy issues that affect the health and safety of the public.

An important part of the Council's communication with the profession is the annual forum which was, once again, very successful. This year it was held in Auckland, Wellington and Christchurch, and the Council plans to build on the success by offering the forum in four venues next year.

The Council maintained its close relationship with the Australian Nursing and Midwifery Council, with which it renewed its memorandum of understanding in February. This agreement, which has been in place since 2001, encourages the exchange of knowledge between our respective organisations and enhances the protection of public safety on both sides of the Tasman.

Cashflow has improved markedly this year, and the Council is pleased to report a return to a positive equity situation, as was anticipated in last year's annual report.

Finally, I acknowledge and thank all Council members and staff for their continued commitment to the work of the Council in consolidating and building on the successful transition to the new legislation. In particular, I thank Frances Hughes, who stood down from the Council this year, for her ongoing contribution to the profession.



Beverley Rayna

Chief Executive's report



Now that the long process of implementing the Health Practitioners Competence Assurance Act 2003 (HPCA Act) is well and truly over, the Council has been able to focus more clearly on its primary objective of *regulating nursing practice to protect public safety*. Our systems are in place, so our attention has been more directed to fine tuning the systems we have set up rather than creating new ones to deal with the issues we now face in meeting our obligations under the HPCA Act.

An example of this is the imminent return of plastic card practising certificates to replace the paper ones that were used during the implementation phase of the HPCA Act (although paper will continue to be used for interim practising certificates).

The Council maintained its proactive role in international nursing leadership. The Chairperson and I attended the International Council of Nurses conference and regulatory forum in Yokohama, Japan, and the International Council of Nurses regulatory forum in London, England. I also attended the International Council of Nurses credentialing forum in London, England.

As well as the annual reciprocal visits of the Chairpersons and Chief Executives of the Council and the Australian Nursing and Midwifery Council (ANMC), the Council is currently working with ANMC in a trans-Tasman project to develop guidelines on professional boundaries.

The nurse practitioner scope of practice continued to attract interest from nurses wishing to take their practice to a new level, and there are currently 46 nurse practitioners registered, of whom 26 were authorised to prescribe. An evaluation of the nurse practitioner process was completed, the results of which were published in October.

The Council approved a number of education programmes for nurses, including three new nurse assistant programmes at Manukau Institute of Technology; one new nurse assistant programme at Christchurch Polytechnic Institute of Technology; and a site approval for NorthTec to provide a new nurse assistant programme at Rodney. These new programmes will greatly increase the opportunities for the training and deployment of second level nurses and are in line with the Council's strategic project to facilitate the development of further nurse assistant programmes.

Finally, I would like to thank all Council staff for their efforts over the past year. Regulating nursing practice to protect public safety involves considerable work, and this would not be possible without the dedication of our staff.

A handwritten signature in blue ink, appearing to read 'MR Clark', written in a cursive style.

Marion Clark

Chief Executive

Governance

At the beginning of the year, the Council comprised Beverley Rayna (Chairperson), Margaret Southwick (Deputy Chairperson), Frances Hughes, Roxanne McKerras, Margaret Millard, Kathrine Townshend and Noeline Warmington.



Beverley Rayna **Chairperson**

Beverley Rayna is Nurse Manager of St Allisa Court Rest Home in Christchurch. She is a registered nurse, and has had 30 years experience in nursing education both as a teacher and a manager. Her clinical practice experience has been mainly in medical and surgical nursing. She was first appointed to the Council as a registered nurse under section 4(1)(d)(i) of the Nurses Act in October 2000.



Margaret Southwick **Deputy Chairperson**

Dr Margaret Southwick (Tuvalu / Pakeha) is Dean of Faculty, Health, Education and Social Science at Whitireia Community Polytechnic. She is a registered nurse and was first appointed to the Council as an academic staff member under section 4(1)(c) of the Nurses Act in April 2002.



Frances Hughes

Dr Frances Hughes has 25 years of experience in the New Zealand health service as a health clinician, manager, government health policy advisor and educator and is a member of many national and international nursing groups. She has held many nursing positions in New Zealand and overseas. She was appointed to the Council as a health practitioner member with effect from 1 November 2006. Frances Hughes resigned from the Council in January 2008.



Roxanne McKerras

Roxanne graduated as a registered general and obstetric nurse in 1983. She has a Diploma in Health Services Management and a Master in Nursing. Her clinical experience has been comprehensive, with the last ten years in emergency nursing. She is currently seconded into a new role as Night Team Coordinator at Christchurch Public Hospital. She was first appointed to the Council as a health practitioner member with effect from 25 September 2006.



Margaret Millard

Margaret Millard, of Palmerston North, has worked for many years in the voluntary sector, including significant involvement in the rural women's network. She has extensive governance experience, including being a Councillor and Chairperson of the Open Polytechnic of New Zealand. She was first appointed to the Council as a lay member under section 4(1)(d) of the Nurses Act in November 2002.



Christine Payne

Christine has extensive nursing experience as a clinician in ICU/CCU medicine and elder care plus management, education and professional leadership as a Director of Nursing in the UK. Christine has been in New Zealand since 1998 and is currently Executive Director of Nursing and Midwifery at Bay of Plenty District Health Board. She has also been Chairperson of Nurse Executives of New Zealand and is currently Chairperson of Magnet NZ. She was first appointed to the Council as a health practitioner member with effect from 25 September 2006.



Kathrine Townshend

Kathrine Townshend has worked in a law office and as a counsellor working with survivors of sexual abuse and domestic violence. She also spent six years on committees involved in the ethical review of research involving human participants prior to being appointed to the Council. She was first appointed to the Council as a lay member with effect from 25 September 2006.



Noeline Warmington

Noeline Warmington (Ngapuhi / Ngati Kahu / Te Rarawa) is employed by the Department of Corrections in forensic nursing. She has a particular interest in health promotion and nursing development. She was first appointed to the Council as a registered nurse under section 4(1)(a) of the Nurses Act in April 2002.

Council meetings

The Council met nine times.

Committees of the Nursing Council of New Zealand

Four committees assisted the Council to fulfil its obligations under the HPCA Act.

Education Committee

The Education Committee considers education issues and advises the Council on matters relating to education policy. The committee is responsible for the Council's process for accrediting and monitoring nursing programmes.

The Education Committee met on ten occasions and:

- assessed and reviewed programme accreditations and audits
- assessed educational equivalence for nurse practitioner applicants
- assessed applications for change in condition in scopes of practice
- considered recognition of prior learning and requests for extended programme timeframes.

Margaret Southwick (Convenor)

Christine Payne

Roxanne McKerras

Finance Committee

The Finance Committee scrutinises the financial accounts, reviews and maintains financial systems and considers the Council's finance and management policies.

The Finance Committee met on eight occasions and:

- considered the budget
- considered monthly financial reports and annual accounts
- approved all cheque payments and investments.

Margaret Millard (Convenor)

Beverley Rayna

Kathrine Townshend

Health Committee

The Health Committee considers cases of health and disability or suspected disability that had been notified to the Council, with delegated powers from the Council to make decisions under sections 45-51 of the HPCA Act.

The Health Committee:

- met with nurses on 72 occasions
- held hearings that concerned 33 new notifications and 39 reviews.

Noeline Warmington

Margaret Millard

Frances Hughes (until January)

Beverley Rayna (from January)

Registration Committee

The Registration Committee has delegated authority for individual registration decisions.

The Registration Committee met ten occasions and:

- considered registration applications from overseas
- considered registration applications from New Zealand graduates
- considered applications for practising certificate.

Beverley Rayna (Convenor)

Margaret Southwick

Christine Payne

Secretariat

Chief Executive Marion Clark and 26 other staff support the Council.

Communication

Forum 2007

The Council's annual forum was held in Auckland, Wellington and Christchurch and was attended by 672 nurses.

International relations

- The Chairpersons and Chief Executives of the Council and the Australian Nursing and Midwifery Council (ANMC) made reciprocal visits. The Chief Executive is a member of ANMC's research and policy committee. The Registration Manager is a member of ANMC's registration standards committee and also participated in a quarterly ANMC registration standards committee meeting.
- The Chairperson and Chief Executive attended the International Council of Nurses conference and regulatory forum in Yokohama, Japan, and gave a presentation about umbrella legislation.
- The Chairperson and Chief Executive attended the International Council of Nurses regulatory forum in London, England.
- The Chief Executive attended the International Council of Nurses credentialing forum in London, England.

Submissions

The Council made a number of submissions on relevant government policy, health issues, development of the nursing profession and other public policy issues that affect the health and safety of the public including:

- Ministry of Health about the form of the authority to regulate anaesthetic technicians under the HPCA Act
- Ministry of Health about collaborative prescribing
- ANMC about its guidelines for delegation and supervision for nurses and midwives.
- Midwifery Council of New Zealand about a proposed scope of practice for midwifery assistants

- Ministry of Health about the review of the HPCA Act
- ANMC about the second draft of its national framework for continuing competence
- the Medical Council of New Zealand about its consultation document on medical registration and recertification requirements for doctors working in non clinical practice registered in a vocational scope.

Publications

Evaluation of the nurse practitioner registration process was published in October 2007.

News Update (the Council's newsletter) was published in December 2007.

Competencies for the registered nurses and *Competencies for nurse assistants and enrolled nurses* were published in December 2007.

Code of conduct for Nurses was reprinted in March 2008.

Nursing education

The Council prescribes the qualifications for every scope of practice and sets the education standards, accredits and monitors the providers of the prescribed qualifications to ensure that the implementation continues to meet the standards prescribed. The Council also provides advice and guidance to education providers about legislative requirements and current Council policies. The Council sets and administers the state final examinations and receives and processes applications for registration.

Summary of key activities

This year the Nursing Council of New Zealand:

- approved five and monitored three competence assessment programmes
- approved four and monitored two nurse entry to practice programmes
- approved six nurse assistant programmes at three institutions
- monitored eight registered nurse programmes at six institutions
- approved one and monitored one postgraduate programmes
- prepared and administered state examinations for 1,372 nurses.

Approving nursing programmes

Competence assessment programmes

The Council approved competence assessment programmes at:

- Eastern Institute of Technology (competence assessment programme for enrolled nurses and nurse assistants)
- UNITEC (competence assessment programme for enrolled nurses and nurse assistants)
- Guardian Healthcare (new clinical provider)
- Guardian Healthcare (new site approval – Wellington)
- Manukau Institute of Technology (approval of new programme).

Nurse entry to practice programmes

The Council approved four nurse entry to practice programmes at the following district health boards:

- West Coast District Health Board
- Tairāwhiti District Health Board
- Wanganui District Health Board
- Hawkes Bay District Health Board.

Nurse assistant programmes

The Council approved nurse assistant programmes at the following institutions:

Manukau Institute of Technology

- Long term care and rehabilitation
- Acute care medical surgical
- Perioperative care

Christchurch Polytechnic Institute of Technology

- Perioperative care

NorthTec

- Site approval: Rodney.

Postgraduate programmes

The Council approved the following postgraduate programme:

- Master of Nursing at Wintec.

Monitoring nursing programmes

Competence assessment programmes

The Council monitored competence assessment programmes at:

- NorthTec – programme monitoring and accreditation of new practice provider
- Eastern Institute of Technology – monitoring visit
- Christchurch Polytechnic Institute of Technology monitoring visit.

Nurse entry to practice programmes

The Council monitored two nurse entry to practice programmes at the following district health boards:

- Auckland District Health Board
- Waitemata District Health Board.

Registered nurse programmes

The Council monitored programmes leading to registration as a nurse at the following institutions:

- Eastern Institute of Technology
- UCOL
- Nelson Marlborough Institute of Technology
- Western Institute of Technology at Taranaki
- NorthTec (two programmes)
- Whitireia Polytechnic (two programmes).

Postgraduate programmes

The Council monitored the following postgraduate programme:

- Master of Health Science (Nursing – clinical) at Otago University (Christchurch School of Medicine).

Administering state examinations

Under section 12(2)(c) of the HPCA Act, the Council requires a pass in an examination, set by itself, as qualifications for registration for the registered nurse and nurse assistant scopes of practice.

The Council administers these three times a year.

Table 1 – Registered nurse candidates sitting state examination

Exam period	Sat	Passed	Percentage passed
July 2007	341	317	92.96%
November 2008	950	907	95.47%
March 2008	60	56	93.33%

The following table shows the numbers of candidates who sat the registered nurse examination and compares these figures with the previous four years.

**Table 2 – Registered nurse candidates sitting state examination
Comparison with previous years**

Year ended 31 March	Sat	Passed	Percentage passed
2008	1,351	1,280	94.74%
2007	1,299	1,232	94.84%
2006	1,384	1,336	96.53 %
2005	1,229	1,201	97.72 %
2004	1,225	1,206	98.45 %

Nurse assistants

Twenty-one candidates sat the examination for registration as nurse assistants, of whom 18 were successful.

The following table shows the numbers of candidates who sat the nurse assistant examination and compares this figure with the previous four years.

**Table 3 – Nurse assistant candidates sitting state examination
Comparison with previous years**

Year ended 31 March	Sat	Passed	Percentage passed
2008	21	18	85.71%
2007	19	18	94.74 %
2006	19	19	100.00 %
2005	81	78	96.30%
2004	74	70	94.59%

Professional standards

Summary of key activities

This year the Nursing Council of New Zealand:

- approved three new recertification programmes (professional development and recognition programmes) and extension of two existing programmes under section 41 of the HPCA Act
- completed recertification audits of 1,083 nurses, of whom 768 met requirements
- received competence notifications for 37 registered nurses
- reviewed the competence of 26 registered nurses.

Professional development and recognition programmes

The Council approved professional development and recognition programmes under section 41 of the HPCA Act at:

- Whanganui District Health Board
- Hawkes Bay District Health Board
- Wairarapa District Health Board.

The Council also approved the extension of Nelson Marlborough District Health Board's and Lakes District Health Board's professional development and recognition programmes to include senior nurses and audited professional development and recognition programmes at Northland District Health Board and Waikato District Health Board.

Recertification audits

The Council randomly selects five percent of individual nurses for audit of their evidence that they are meeting the continuing competence requirements.

This year the Council audited 1,083 nurses, of whom 768 (70.91%) met requirements. Nurses who did not meet the requirements were issued with interim practising certificates with conditions under section 43 of the HPCA Act until the requirements were met.

Competence notifications

The Council received 37 new competence notifications under section 34 of the HPCA Act. Three further competence notifications were initiated by the Council under section 36(4)(a) of the HPCA Act; six following PCC hearings; and one was referred from the Health Practitioners Disciplinary Tribunal. All competence notifications concerned registered nurses.

Table 4 - Notifications by area of practice

Area of practice	Total	Percentage
Practice nurse	3	8.11%
Oncology	1	2.70%
Palliative care	2	5.41%
Continuing care	17	45.96%
Community nursing	1	2.70%
Drug and alcohol	1	2.70%
Medical	1	2.70%
ICU	1	2.70%
Surgical	3	8.11%
Hospital - area unknown	3	8.11%
Endoscopy	1	2.70%
Podiatry	1	2.70%
Assessment and rehabilitation	1	2.70%
Other	1	2.70%
Total	37	100%

Competence reviews

The Council conducted competence reviews of 26 nurses between 1 April 2007 and 31 March 2008. Interim suspension was ordered for one nurse and interim conditions were ordered for five other nurses on the grounds that their practice posed a risk of serious harm to the public under section 39 of the HPCA Act. Other orders under section 38 of the HPCA Act following review includes individualised competence programmes, competence assessments, professional oversight and conditions placed in nurses' scopes of practice.

Table 5 - Outcomes of competence reviews

Interim suspension or conditions	6
Required to undertake competence programme	19
Required to undertake professional supervision	12
Required to undertake a competence assessment	18
Required to undertake a cognitive assessment	1
Conditions placed in scope of practice	7
No further action	5
Outcomes still under consideration	1

The total exceeds number of reviews, as some nurses had several requirements included in their orders.

Nursing registration

Summary of key activities

This year the Nursing Council of New Zealand:

- registered 1,243 New Zealand applicants and 1,207 overseas applicants
- registered 16 nurse practitioners
- authorised 13 nurse practitioners to prescribe
- issued 45,691 practising certificates
- issued 1,832 verifications to nurses applying to work overseas.

New registrations

The Council registered 1,243 New Zealand applicants, comprising 1,224 registered nurses and 19 nurse assistants.

The Council registered 1,207 overseas applicants during the year, comprising 1,172 registered nurses and 35 nurse assistants.

Nurse practitioners

Sixteen nurses applied for registration as nurse practitioners during the year. The Council completed the assessments of 21 applications, some of which had been received during the previous year.

Sixteen applicants were registered as nurse practitioners during the year and six had their applications declined.

On 31 March 2008 there were 46 nurse practitioners registered, of whom 26 were authorised to prescribe. The Council was assessing five applications for the nurse practitioner scope of practice as at the end of the year.

**Table 6 - All registrations and enrolments
Comparison with previous years**

Date	RNs			NAs and ENs ¹			Total
	NZ	O/seas	Total	NZ	O/seas	Total	
31 March 2008	1,224	1,172	2,396	19	35	54	2,450
2007	1,199	1,285	2,484	16	42	58	2,542
2006	1,313	1,560	2,873	41	36	77	2,950
2005	1,224	1,574	2,798	78	37	115	2,913
2004	1,310	1,720	3,030	70	45	115	3,145²

¹ Nurses are no longer enrolled, following implementation of the HPCA Act on 18 September 2004.

² Two overseas nurses were both registered and enrolled.

Practising certificates

The Council issued 45,691 practising certificates, of which 3,339 were for periods of less than one year. On 31 March 2008, there were 44,571 nurses with current practising certificates (including interim practising certificates).

Verifications

The Council issued 1,832 verifications of registration for New Zealand nurses applying to register with overseas authorities.

Authorisations

The Council approved 156 applications to supply the emergency contraceptive pill, eight applications to provide diagnostic imaging and authorised 13 nurse practitioners to prescribe under the Medicines (Designated Prescriber: Nurse Practitioners) Regulations 2005.

Changes of conditions

The Council received 22 applications from nurses who wished to change conditions in their scopes of practice. The Council removed conditions from five nurses and advised 14 applicants of requirements necessary to remove the condition. Three applications were withdrawn.

Health

Summary of key activities

This year the Nursing Council of New Zealand received 37 new notifications under section 45 of the HPCA Act.

Hearings

The Health Committee met with nurses on * 72 occasions and held hearings that concerned 33 new notifications and 39 reviews.

The Council:

- took no further action on new notifications pertaining to nine nurses
- permitted 17 nurses to practise with conditions pursuant to section 50(4) of the HPCA Act
- revoked conditions in the scopes of practice of 13 nurses pursuant to section 51(2) of the HPCA Act
- varied conditions in the scopes of practice of 16 nurses pursuant to section 51(3) of the HPCA Act
- suspended 10 nurses from practice pursuant to section 50(3) of the HPCA Act
- suspended two nurses from practice pursuant to section 48(2) of the HPCA Act
- revoked the suspension of two nurses pursuant to section 51(1) of the HPCA Act
- required six nurses to meet with the Committee if they wished to return to practice.

* Note that some nurses met with the Committee more than once during the year.

The Health Committee was monitoring 71 nurses with health conditions or disabilities at the end of the year.

Complaints

Summary of key activities

This year the Nursing Council of New Zealand:

- received 305 notifications/complaints about nurses
- referred 179 nurses to Professional Conduct Committees
- completed investigations into complaints made against 28 nurses
- prosecuted charges against 16 nurses before the Health Practitioners Disciplinary Tribunal.

Assessing complaints and notifications

All complaints and notifications received by the Council are initially assessed to determine the best way of dealing with them. Under section 64 of the HPCA Act, any complaint affecting a consumer is forwarded to the Health and Disability Commissioner (unless it was received from the Health and Disability Commissioner). The Council assesses each complaint, obtains further information if required and then decides the action to take in the first instance.

Table 7 - Sources of complaints received

Sources of complaints received	Total
Nursing Council of New Zealand*	118
Employers	89
Health and Disability Commissioner	12
Consumers	16
ACC	1
Court registrars	8
Other health professionals	13
Self notifications	48
Total	305

* 102 of these were for nurses practising without current practising certificates.

Table 8 - Outcomes of complaints

Outcomes	Total
No further action	34
Referred to Professional Conduct Committees	179
Referred for review of competence	34
Referred to the Health Committee	37
Referred to the Health and Disability Commissioner	21
Total	305

Professional Conduct Committee investigations

Appointment of Professional Conduct Committees

The Council appointed 29 Professional Conduct Committees, under section 71 of the HPCA Act, to consider complaints received.

Table 9 - Areas of practice of nurses referred to Professional Conduct Committees under the HPCA Act

Area of practice	Total
Mental health	1
Acute care	7
Continuing care	12
Primary health care	7
Not practising	2
Total	29

Professional Conduct Committee investigations completed

The Professional Conduct Committees completed 28 investigations of conduct during the year. This number includes some investigations that commenced in the 2006-2007 year.

Table 10 - Outcomes of investigations

Outcomes	Total
Charges laid with the Health Practitioners Disciplinary Tribunal	4
No further action	11
Letter of counsel	2
Referred for health monitoring	3
Referred for competence review	8
Total	28

Court Convictions

The Council appointed a Professional Conduct Committee to consider court convictions. Nineteen court convictions that had been referred to that Committee under section 68(2)(b) of the HPCA Act were considered in this year. This number includes some court convictions that were referred in the 2006-2007 year.

Table 11 – Outcomes of court convictions

Outcomes	Total
Charges laid with the Health Practitioners Disciplinary Tribunal	1
No further action	2
Letter of counsel	14
Referred for health monitoring	2
Referred for competence review	0
Total	19

Practising without practising certificates

The Council also appointed a Professional Conduct Committee to investigate allegations of nurses practising without practising certificates. These nurses were referred to this Committee under section 68(3) of the HPCA Act. The Committee considered 81 nurses in this year, of whom 70 received a letter of counsel and one both received a letter of counsel and was referred for a review of competence. No further action was taken on the remaining 10 referrals. This number includes some referrals made during the 2006-2007 year.

Appeals to the High Court

There was one appeal to the High Court and one appeal to the District Court.

Health Practitioners Disciplinary Tribunal

Professional Conduct Committees prosecuted charges against 16 nurses. A Professional Conduct Committee also sought (and was granted) leave to withdraw a charge that had been laid against another nurse.

Tribunal hearings

These decisions are available on its website www.hpdt.org.nz

Nursing Council of New Zealand

Financial statements

for the year ended

31 March 2008

Nursing Council of New Zealand

Statement of Financial Performance
For the year ended 31 March 2008

	<u>Notes</u>	<u>\$</u>	<u>2008</u> <u>\$</u>	<u>2007</u> <u>\$</u>
Income				
Corporate Affairs Income	2	184,197		94,028
Education Income		231,493		189,139
Registration Income - Annual Practising Certificates		2,559,714		2,081,993
Registration Income - Other		1,181,187		728,906
Disciplinary Orders		73,042		75,197
Disciplinary Levies		1,111,245		228,001
Communications & Research Income		78,653		57,739
Total Income			5,419,532	3,455,003
Expenditure				
Corporate Affairs Expenses	3	1,498,452		1,306,511
Education Expenses		250,305		247,373
Registration Expenses - Annual Practising Certificates		165,721		194,255
Registration Expenses - Other		773,637		687,098
Disciplinary Expenses	4	678,293		779,610
Health Expenses		100,775		120,129
Council Expenses	5	240,163		224,928
Communication and Research Expenses		239,727		242,200
Professional Standards Expenses		336,992		272,401
			4,284,065	4,074,505
Net Surplus/(Deficit) for the year			<u>1,135,467</u>	<u>(619,502)</u>

The Statement of Accounting Policies and the accompanying notes form part of the Financial Statements.

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Nursing Council of New Zealand

Statement of Movements in Equity
For the year ended 31 March 2008

<u>Notes</u>	<u>\$</u>	<u>2008</u> <u>\$</u>	<u>2007</u> <u>\$</u>
Accumulated funds at the beginning of year		(112,552)	506,950
Net Surplus/(Deficit) for the year	<u>1,135,467</u>		<u>(619,502)</u>
Total Recognised Revenues & Expenses		1,135,467	(619,502)
Accumulated funds at the end of year		<u>1,022,915</u>	<u>(112,552)</u>

The Statement of Accounting Policies and the accompanying notes form part of the Financial Statements.

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Nursing Council of New Zealand

Statement of Financial Position
As at 31 March 2008

	Notes	\$	2008 \$	2007 \$
Current Assets				
Cash on Hand	7	16,727		19,004
Prepayments		14,292		32,128
Accounts Receivable		149,965		114,420
Recoverable Legal Fees	8	80,138		63,629
Interest Receivable		83,823		27,528
Investments	9	3,055,797		1,896,566
Total Current Assets			3,400,742	2,153,275
Less Current Liabilities				
Accounts Payable	10	339,231		369,559
Accrued Holiday Pay		61,982		55,237
Office Rent - Free	11	12,635		24,297
Income in Advance	12	2,308,739		2,252,701
Total Current Liabilities			2,722,587	2,701,794
Working Capital			678,155	(548,519)
Non Current Assets				
Fixed Assets	13	295,806		409,072
Recoverable Legal Fees	8	51,577		37,435
Artwork		3,314		3,314
			350,697	449,821
Non Current Liabilities				
Lease Liability	15		5,937	13,854
Net Assets			1,022,915	(112,552)
Accumulated Funds			1,022,915	(112,552)

Signed on behalf of Council:

MR Clark Chief Executive Officer

Blayna Chairperson

5-09-2008 Date



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The Statement of Accounting Policies and the accompanying notes form part of the Financial Statements.

1. Statement of Accounting Policies

Reporting Entity

Nursing Council of New Zealand (Nursing Council) is governed by the Health Practitioners Competence Assurance Act 2003.

The Nursing Council prepares financial statements in accordance with the Act's reporting requirements and New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The Nursing Council is an entity qualifying for differential reporting as it is not publicly accountable as defined by the Framework for Differential Reporting and is not large. The Council has taken advantage of all the differential reporting exemptions.

Tax Status

Nursing Council is exempt from income tax under section CW 34(1) (b) of Income Tax Act 2004.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of results and the financial position on a historical cost basis have been adopted in so far as they apply to the Council.

Comparatives

Some prior year comparative figures have been reclassified to match current year disclosures.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

(a) Recoverable Legal Fees

Legal fees to be recovered but not yet received are recognised as revenue in the Statement of Financial Performance.

(b) Provision for Recoverable Legal Fees

Provision has been made in the Statement of Financial Performance for those recoverable legal fees that are deemed doubtful. Doubtful debts have been provided for based on a three part calculation:

Part 1 - Receivables recognised as current year are not provided for unless information is available to suggest specific provision is required.

Part 2 - Receivables other than current year with a payment arrangement in place. If the payment arrangement will not clear the receivable balance within 5 years of balance date then the excess balance is specifically provided for.

Part 3 - Receivables other than current year with no payment arrangement in place are 100% provided for.

The sum of the parts forms the provision for doubtful debts shown in the notes to the accounts.

1. Statement of Accounting Policies, contd

(c) Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation.

(d) Investments

Investments have been shown at the lower of cost and net realisable value.

(e) Goods and Services Tax

The financial statements are shown GST exclusive except for accounts payable and accounts receivable which are shown GST inclusive in the Statement of Financial Position.

(f) Provision for Holiday Pay

Provision has been made for the holiday pay liability on an actual entitlement basis at current rates of pay. Any movement in the level of this provision is reflected in the Statement of Financial Performance.

(g) Depreciation

Fixed Assets are depreciated on a straight-line basis. Rates of depreciation applied to the fixed assets in the financial statements are:

Office Equipment	10 years
Computer Equipment	3 years
Leashold Improvements	6 years

Assets purchased during the year are charged depreciation from the date of purchase.

Leasehold improvements have been depreciated over the remaining term of the lease.

(h) Leased Assets

Operating Leases

The Council is party to operating lease arrangements where the lessor effectively retains substantially all risks and benefits of ownership of the leased items. The operating lease costs incurred this financial year have been expensed in the Statement of Financial Performance and future commitments have been disclosed in Note 16 to these financial statements.

Finance Leases

Leases under which the Council effectively assumes substantially all the risks and benefits of ownership are classified as finance leases and are capitalised. The asset and corresponding liability are recorded at inception of the lease arrangement at the fair value of the leased asset.

Assets subject to finance leases are depreciated over the period of the lease.

Finance charges are apportioned over the term of the respective lease and have been expensed in the Statement of Financial Performance and future commitments have been disclosed in Note 15 to these financial statements.

Nursing Council of New Zealand

**Notes to the Financial Statements
For the year ended 31 March 2008**

1. Statement of Accounting Policies, contd

(i) Financial Instruments

The Council is party to financial instruments arrangements as part of its everyday operations. These financial instruments include bank accounts, investments, accounts receivable and accounts payable.

Except for those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

Revenues and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

All financial instruments are recognised in the Statement of Financial Position as they are entered into. The Council has not entered into any off-balance sheet obligations.

(j) Fees Received for Processing Overseas Applications

Fees received for processing overseas applications for registration in New Zealand are recognised as revenue as received.

(k) Office Rent-Free

The seven month rent free period for Mid City Tower is being amortised over the six year period of the lease.

(l) Revenue

Fees received in advance for annual practising certificates, disciplinary levies, and funding for administration of the HPI contract are accounted for in the Statement of Financial Position when receivable and recognised in the Statement of Financial Performance in the year to which they relate.

1. Statement of Accounting Policies, contd

(m) International Financial Reporting Standard (NZ IFRS)

Transition to NZ IFRS

In December 2002 the New Zealand Accounting Standard Review Board announced that New Zealand International Financial Reporting Standards ("NZ IFRS") will apply to all New Zealand reporting entities for the periods commencing on or after 1 January 2007.

The Accounting Standards Review Board (ASRB) Release 9 determined that for certain entities who meet the criteria there would be a delay in the mandatory adoption of NZ IFRS until further notice. The Nursing Council meets these criteria and intends to defer implementation of NZ IFRS.

(n) **Changes in Accounting Policies**

There have been no changes in the accounting policies. All policies have been applied on a consistent basis with those of the previous period.

Nursing Council of New Zealand

Notes to the Financial Statements
For the year ended 31 March 2008

2. Corporate Affairs Income

	2008	2007
	\$	\$
Interest Received	182,432	93,287
Sundry Income	1,765	741
	<u>184,197</u>	<u>94,028</u>

3. Corporate Affairs Expenses

	2008	2007
	\$	\$
Audit Fees	20,290	29,856
Depreciation	163,729	178,555
Loss on Sale of Fixed Assets	26,053	0
Human Resources	41,933	37,776
Financial Services	140,744	65,003
Interest	0	29
Rent	168,913	164,082
Salaries	398,471	381,964
Other Corporate Affairs Expenses	538,319	449,246
	<u>1,498,452</u>	<u>1,306,511</u>

4. Disciplinary Expenses

	2008	2007
	\$	\$
Doubtful Debts	(29,978)	8,433
Investigation Expenses	378,794	408,597
Other Disciplinary Expenses	329,477	362,580
	<u>678,293</u>	<u>779,610</u>

5. Council Expenses

These expenses relate to the all activities of Council Members.

	2008	2007
	\$	\$
Council Meeting Fees	95,357	95,653
Council Travel	100,236	76,416
Council Expenses	40,390	41,023
Council Development	4,180	11,836
	<u>240,163</u>	<u>224,928</u>



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Nursing Council of New Zealand

**Notes to the Financial Statements
For the year ended 31 March 2008**

6. Council Fees

The total fees paid to Council members were:

	2008	2007
	\$	\$
A Huntington (to 24 September 2006)	0	3,180
A Huntington (paid to Massey University)	0	14,420
B Hall (to 24 September 2006)	0	8,660
B Rayna	37,300	26,210
Christine Payne (from 24 September 2006)	1,920	960
Christine Payne (paid to Bay of Plenty Health Board)	7,160	3,600
F Hughes (paid to Profoc's Limited) (from 24 September 2006)	7,380	4,320
K Townshend (from 24 September 2006)	9,600	4,317
M Millard	10,200	9,280
M Southwick	800	200
M Southwick (paid to Whiteria Polytechnic)	6,420	8,440
M Kiely (to 24 September 2006)	0	4,070
M Hammond (paid to Capital Coast DHB)	0	1,980
N Warmington	12,960	15,380
R McKerras (from 24 September 2006)	7,760	4,760
	<u>101,500</u>	<u>109,777</u>

7. Cash on Hand

	2008	2007
	\$	\$
Cash on Hand	250	150
BNZ Cheque Account	16,477	18,854
	<u>16,727</u>	<u>19,004</u>

8. Recoverable Legal Fees

	2008	2007
	\$	\$
Current Portion		
Recoverable Legal Fees	80,138	63,629
	<u>80,138</u>	<u>63,629</u>
Non Current Portion		
Recoverable Legal Fees	169,228	184,704
Less Provision for Doubtful Debts	(117,651)	(147,269)
	<u>51,577</u>	<u>37,435</u>
Total Recoverable Legal Fees	249,366	248,333
Less Provision for Doubtful Debts	(117,651)	(147,269)
	<u>131,715</u>	<u>101,064</u>

Nursing Council of New Zealand

Notes to the Financial Statements
For the year ended 31 March 2008

9. Investments

	2008	2007
	\$	\$
Term Deposits	2,400,000	1,800,000
BNZ - Call Deposit A/c	655,797	96,566
	<u>3,055,797</u>	<u>1,896,566</u>

Term Deposits have maturity dates between 3-12 months. The average interest rate is 8.59% pa (2007: 7.59%).

10. Accounts Payable

	2008	2007
	\$	\$
Accounts Payable - Trade	165,226	168,269
GST Payable	34,541	54,283
Accounts Payable - Sundry	131,547	139,090
Current Portion - Finance Lease Liability	7,917	7,917
	<u>339,231</u>	<u>369,559</u>

11. Operating Lease Commitments

	2008	2007
	\$	\$
<u>Rental of premises and rental of carpark</u>		
Not later than one year	176,628	108,297
Later than one year but not later than two years	14,719	117,322
Later than two years but not later than five years	-	-
	<u>191,347</u>	<u>225,619</u>

Mid City Tower

The lease at Mid City Tower, 130-143 Willis Street, Wellington is over six years from 1 May 2003.

The rent free period has been amortised over the six year term of the lease. The balance at 31 March 2008 is \$12,635 (2007:\$24,297).

12. Income in Advance

	2008	2007
	\$	\$
Annual Practising Certificates in Advance	1,505,714	1,472,255
Disciplinary Levies in Advance	683,039	612,597
Other Income in Advance	119,986	167,849
	<u>2,308,739</u>	<u>2,252,701</u>

Notes to the Financial Statements
For the year ended 31 March 2008

13. Fixed Assets

	2008	2007
	\$	\$
Leasehold Improvements		
At Cost	326,390	342,265
Less Accumulated Depreciation	<u>257,577</u>	<u>212,510</u>
	<u>68,813</u>	<u>129,755</u>
Office Equipment		
At Cost	502,857	500,920
Less Accumulated Depreciation	<u>365,495</u>	<u>321,910</u>
	<u>137,362</u>	<u>179,010</u>
Computer Equipment		
At Cost	552,945	520,976
Less Accumulated Depreciation	<u>463,314</u>	<u>420,669</u>
	<u>89,631</u>	<u>100,307</u>
Total Fixed Assets	<u>295,806</u>	<u>409,072</u>

14. Depreciation

	2008	2007
	\$	\$
Leasehold Improvements	54,771	57,418
Office Equipment	66,313	85,127
Computer Equipment	<u>42,645</u>	<u>36,010</u>
	<u>163,729</u>	<u>178,555</u>

15. Finance Lease Liability

Finance lease liability consists of equipment (\$31,668) that has been capitalised as fixed assets. The net carrying value of leased assets is \$13,854 (including the current portion of \$7,917). Finance charges of \$0 have been expensed in the period to the Statement of Financial Performance (2007: \$29)

	2008	2007
	\$	\$
Not later than one year (in Accounts Payable)	7,917	7,917
Later than one year but not later than two years	5,937	7,917
Later than two years but not later than three years		5,937
More than three years	0	0
Less: Current Portion - Finance Lease Liability (refer to note 10)	<u>(7,917)</u>	<u>(7,917)</u>
	<u>5,937</u>	<u>13,854</u>

16. Capital Commitments

The Council has no commitments for capital expenditure as at 31 March 2008 (2007:\$7,650).

Nursing Council of New Zealand

**Notes to the Financial Statements
For the year ended 31 March 2008**

17. Contingent Liabilities

The Council has contingent liabilities of \$90,000 to BNZ for payroll as at 31 March 2008 (2007 \$75,000).

18. Related Party Transactions

No related party transactions took place during the financial year ended 31 March 2008, (2007: \$28,938).
No related party debtors for 2008 (2007 \$1,710).

19. Re-Classification of the expenses

There have been some reclassification in the expenditure items and the comparatives for them are reclassified accordingly.



AUDIT REPORT
TO THE READERS OF
NURSING COUNCIL OF NEW ZEALAND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008

The Auditor-General is the auditor of the Nursing Council of New Zealand (the Council). The Auditor-General has appointed me, Robert Elms, using the staff and resources of Martin Jarvie PKF, to carry out the audit of the financial statements of the Council, on his behalf, for the year ended 31 March 2008.

Unqualified Opinion

In our opinion, the financial statements of the Council on pages 29 - 43:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - the Council's financial position as at 31 March 2008; and
 - the results of its operations for the year ended on that date.

The audit was completed on 5 September 2008, and is the date at which our opinion is expressed.

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

Basis of Opinion

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

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

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

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

Audit procedures generally include:

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

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

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

Responsibilities of the Members of the Council and the Auditor

The Members of the Council are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Council as at 31 March 2008 and the results of its operations for the year ended on that date. The Members of the Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

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

Independence

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

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



Robert Elms
Martin Jarvie PKF
On behalf of the Auditor-General
Wellington, New Zealand

