Council of New South Wales

Annual Report 2013

Aboriginal and Torres Strait Islander Health Practice Council of New South Wales
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Aboriginal and Torres Strait Islander Health

Aboriginal and Torres Strait Islander
Health Practice Council of New South Wales

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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

On behalf of the Aboriginal and Torres Strait Islander Health Practice Council of New South Wales, we are pleased to submit the Council's inaugural Annual Report and Financial Statements for the year ended 30 June 2013 for presentation to Parliament.

These documents have been prepared in accordance with the provisions of the *Annual Reports (Statutory Bodies) Act 1984*, the *Annual Reports (Statutory Bodies) Regulation 2010* and the *Public Finance and Audit Act 1983* as amended.

Yours sincerely

Lisa O'Hara
President

Ian Linwood
Deputy President

Contents

About the Council 3

Regulatory Activities 5

Management and Administration 6

Financial Statements 11

Appendix 1 - Legislative Changes 26

Appendix 2 - Tribunal Members 27

Index 28

About the Council

The Aboriginal and Torres Strait Islander Health Practice Council of New South Wales is a statutory body established on 1 July 2012 to manage notifications (complaints) about conduct, performance and health matters concerning Aboriginal and Torres Strait Islander Health Practice registrants practising in New South Wales (NSW) and health and conduct matters related to registered students training in 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 Aboriginal and Torres Strait Islander Health Practice Council is one of 14 Councils in NSW. The Health Professional Councils Authority (HPCA) provides secretariat and corporate support to the NSW health professional Councils to assist them in carrying out their regulatory responsibilities.

Due to the very small number of registrants in NSW and the absence of notifications, the appointment of members to the Council was deferred until 2013/2014.

Charter

The Council is constituted under 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 Council is to act in the interests of the public by ensuring that registered Aboriginal and Torres Strait Islander Health Practice practitioners are fit to practise and that students are fit to have contact with members of the public whilst they undertake approved programs of study.

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

Council Membership

Section 41E of the Law provides for membership of the Council. There are four members of the Council appointed by the Governor. Three members of the Council are to be registered Aboriginal and Torres Strait Islander Health Practice practitioners nominated by the Minister (at least one of whom must have a principal place of practice in NSW); the fourth member must be an Australian lawyer nominated by the Minister.

The Governor approved the following appointments on 4 September 2013:

- Ms Lisa O'Hara *(President)*
- Mr Ian Linwood *(Deputy President)*
- Ms Renee Owen
- Mr Peter Pangquee

There were no statutory or Council committees or panels established or convened other than the Aboriginal and Torres Strait Islander Health Practice Tribunal.

Remuneration

Remuneration for members of the Council, when appointed, will be as follows:

President	$2,336 per annum
Members	$1,752 per annum

Additionally, Council members will receive sitting fees of $436 per day and $218 per half day for the conduct of Council Inquiries and $256 per day and $128 per half day for participating in counselling sessions or at specially convened workshops, forums or meetings.

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

Members of Council committees, Panels, Tribunals and other regulatory activities are also eligible to receive remuneration and reimbursement of expenses.

Aboriginal and Torres Strait Islander Health Practice Tribunal

The Aboriginal and Torres Strait Islander Health Practice 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. Refer to Appendix 2 for a list of the Chair and Deputy Chairs to the Tribunal.

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

No complaints or appeals were concluded or referred to the Tribunal during the reporting period.

Executive Officer

Under s 41Q of the Law the Council's Executive Officer is responsible for the affairs of the Council subject to any directions of the Council.

Ms Amanda McEacharn will be the Executive Officer of the Council.

Promotion of Council Activities

The Council's website (www.atsihealthpracticecouncil.nsw.gov.au) will be updated on a regular basis and will be the principal medium for disseminating information to practitioners, students and the public.

Legislative Changes

Details of the legislative changes in 2012/2013 are at Appendix 1.

Regulatory Activities

National Registration

NSW health professionals are registered under the National Registration and Accreditation Scheme. Through the Scheme, the Aboriginal and Torres Strait Islander Health Practice 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).

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 2013, there were 21 registered practitioners whose principal place of practice was in NSW. This represents 7% of the total number of Aboriginal and Torres Strait Islander Health Practice practitioners registered under the Scheme across Australia.

Students are also registered. AHPRA advised that the number of NSW students registered as at 30 June 2013 was nil. Figures are determined by the student's residential address, not the location of the education provider.

Registrations by registration type as at 30 June 2013 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	21	-	21
Total	**21**	**-**	**21**

Notifications (Complaints) Received

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 Aboriginal and Torres Strait Islander Health Practice practitioners practising and students training in NSW.

Any person may make a notification (complaint) against a registered practitioner or student. Notifications (complaints) may relate to the conduct, health or performance of a registered practitioner 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 on 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.

There were no notifications (complaints) 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 Aboriginal and Torres Strait Islander Health Practice Tribunal, a Council Inquiry, a Performance Review Panel, an immediate action (s 150) decision, or conditions following an Impaired Registrants Panel. The Council may also monitor orders and conditions about a registrant's health, conduct or performance that were imposed by another jurisdiction where the registrant relocates to NSW and the Council is requested to monitor this practitioner by the National Board.

Conditions fall into two categories:

a) practice conditions, which are published on the AHPRA website (www.ahpra.gov.au) or

b) health conditions, which are not published.

During the year there were no practitioners requiring monitoring.

Management and Administration

Shared Services

The HPCA provides shared executive and corporate services to the 14 NSW health professional Councils to support their regulatory responsibilities. On behalf of the Councils, the HPCA liaises with:

- AHPRA regarding financial, registration and reporting matters
- the HCCC on notifications (complaints) management issues, and
- the Ministry of Health on human resources 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.

Access to Information - Government Information Public Access (GIPA)

As the Council was not active and members had not been appointed by 30 June 2013 the Council has not yet implemented the requirements of the *Government Information (Public Access) Act 2009* (GIPA Act).

When the Council is operational it will publish an Agency Information Guide and establish a proactive release program.

Privacy

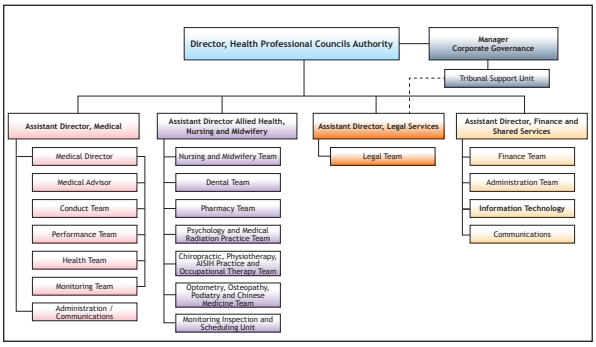
The Council is subject to the provisions of the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*.

The Council will implement these requirements once members have been appointed and the Council becomes active.

Human Resources

The HPCA staff who will support the Council are employed under Chapter 1A of the *Public Sector Employment and Management Act 2002*. As at 30 June 2013 the HPCA employed 97 permanent full-time equivalent (FTE) staff and two temporary FTE staff, a proportion of whom will provide secretariat support directly to the Council.

HPCA Organisation Chart as at 30 June 2013



Learning and Development

Learning and development opportunities are available to staff to ensure that they have the skills and knowledge to support the Council's core business and the HPCA's organisational priorities. Individual staff training needs are identified through the Coaching and Performance System (CAPS).

Staff attended training sessions on:

- GIPA, privacy management and public interest disclosure provisions
- Writing procedures and policy documents, and minute taking
- Dealing with difficult complainants
- TRIM records management system and Monitoring and Complaints System (MaCS) for case management
- Understanding of the *Health Practitioner Regulation National Law (NSW)* regulatory responsibilities and Council processes to protect the public.

Public Interest Disclosures

The Council will implement the *Public Interest Disclosures Act 1994* and the reporting requirements of the *Public Interest Disclosures Regulation 2011* once members have been appointed and the Council is active.

Audit and Risk Management

The Audit and Risk Committee provides independent assistance to the HPCA and the health professional Councils in relation to their governance, risk and control frameworks, and their external accountability requirements. The Committee receives the Council's financial reports for monitoring and review. A Council member will be invited to attend Committee meetings.

Exemptions from the Reporting Provisions

As a small statutory body, the Council is exempt from certain reporting provisions and will provide 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 will report in 2013/2014.The Council will implement its compliance obligations with regard to each of these matters once members have been appointed.

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, and
- workers' compensation.

Annual Report Costs

The Council did not produce printed copies of this Annual Report in accordance with the Premier's Memorandum *Production Costs of Annual Reports* (M2013-09). The total cost of layout and design was $528.66 (GST inc.).

The report will be published on the Council's website.

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.

Format

The accounts of the Council's administrative operations together with the Independent Auditor's Report are set out in the Financial Statements starting on page 10.

Performance

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

	$
Operating expenditure	2,948
Revenue	20,455
Net profit/(loss)	17,507
Net cash reserves (cash and cash equivalents minus current liabilities)*	17,507

Investment Performance

The Council, through a Special Interest Agreement with the Commonwealth Bank of Australia earned an average of 3.04% p.a. on all bank account balances.

Payments Performance

The Council's accounts are managed by the Health Administration Corporation. The consolidated accounts payable performance report across all 14 Councils 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 $
All suppliers					
September	1,201,178	620	0	218	0
December	1,106,321	26,167	0	165	0
March	1,310,988	1,225	0	657	0
June	1,758,606	4,583	141	1,758	0
Small business suppliers					
September	426,997	620	0	218	0
December	255,185	11,203	0	165	0
March	501,058	1,225	0	657	0
June	678,088	3,106	0	706	0

Measure	Sept	Dec	Mar	Jun
All suppliers				
Number of accounts due for payment	158	130	130	198
Number of accounts paid on time	156	105	128	177
% of accounts paid on time (based on number of accounts)	98.7	80.8	98.5	89.4
$ amount of accounts due for payment	1,202,016	1,132,653	1,312,870	1,765,088
$ amount of accounts paid on time	1,201,178	1,106,321	1,310,988	1,758,606
% of accounts paid on time (based on $)	99.9	97.7	99.9	99.6
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

Measure	Sept	Dec	Mar	Jun
Small business suppliers				
Number of accounts due for payment	141	112	120	170
Number of accounts paid on time	139	96	118	156
% of accounts paid on time (based on number of accounts)	98.6	85.7	98.3	91.8
$ amount of accounts due for payment	427,835	266,553	502,940	681,900
$ amount of accounts paid on time	426,997	255,185	501,058	678,088
% of accounts paid on time (based on $)	99.8	95.7	99.6	99.4
Number of payments for interest on overdue accounts	0	0	0	0
Interest paid on overdue accounts	0	0	0	0

The HPCA is confirming relevant details with small business suppliers in accordance with Treasury Circular TC11/21.

Budget

The Council's budget for the period 1 July 2013 to 30 June 2014 is as follow:

Revenue	847
Operating expenditure	22,179
Net profit/(loss)	(21,332)

ABORIGINAL AND TORRES STRAIT ISLANDER

HEALTH PRACTICE COUNCIL OF NEW SOUTH WALES

YEAR ENDED 30 JUNE 2013

STATEMENT BY MEMBERS OF THE COUNCIL

Pursuant to s 41C(1B) *Public Finance and Audit Act 1983*, and in accordance with the resolution of the members of the Aboriginal and Torres Strait Islander Health Practice 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 Aboriginal and Torres Strait Islander Health Practice Council of New South Wales as at 30 June 2013 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: 21 October, 2013

Council Member:

Date: 21.10.13

INDEPENDENT AUDITOR'S REPORT

Aboriginal and Torres Strait Islander Health Practice Council of New South Wales

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of the Aboriginal and Torres Strait Islander Health Practice Council of New South Wales (the Council), which comprise the statement of financial position as at 30 June 2013, 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 2013, 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 give a true and fair view and 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.

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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.

C J Giumelli
Director, Financial Audit Services

21 October 2013
SYDNEY

Aboriginal and Torres Strait Islander Health Practice Council of New South Wales

Statement of Comprehensive Income for the Year Ended 30 June 2013

	Notes	2013 $
EXPENSES EXCLUDING LOSSES		
Operating expenses		
Other operating expenses	2(a)	(2,500)
Other expenses	2(b)	(448)
Total Expenses Excluding Losses		**(2,948)**
REVENUE		
Registration fees		412
Grants and contributions		20,000
Interest revenue	4	43
Total Revenue		**20,455**
Net Result		**17,507**
Other Comprehensive Income		-
Total Comprehensive Income		**17,507**

The accompanying notes form part of these financial statements.

Aboriginal and Torres Strait Islander Health Practice

Aboriginal and Torres Strait Islander Health Practice Council of New South Wales

Statement of Financial Position
as at 30 June 2013

	Notes	2013 $
ASSETS		
Current Assets		
Cash and cash equivalents	5	20,810
Total Current Assets		**20,810**
Non-Current Assets		
Total Non-Current Assets		**-**
Total Assets		**20,810**
LIABILITIES		
Current Liabilities		
Payables	6	2,980
Fees in advance	7	323
Total Current Liabilities		**3,303**
Total Liabilities		**3,303**
Net Assets		**17,507**
EQUITY		
Accumulated funds		17,507
Total Equity		**17,507**

The accompanying notes form part of these financial statements.

Aboriginal and Torres Strait Islander Health Practice Council of New South Wales

Statement of Changes In Equity for the Year Ended 30 June 2013

	Notes	Accumulated Funds $
Balance at 1 July 2012		**-**
Net Result for the Year		**17,507**
Other comprehensive income		-
Balance at 30 June 2013		**17,507**

The accompanying notes form part of these financial statements.

Aboriginal and Torres Strait Islander Health Practice Council of New South Wales

Statement of Cash Flows for the Year Ended 30 June 2013

	Notes	2013 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments		
Other		32
Total Payments		**32**
Receipts		
Receipts from registration fees		735
Interest received		43
Other		20,000
Total Receipts		20,778
Net Cash Flows from Operating Activities	**10**	**20,810**
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Flows from Investing Activities		**-**
Net Increase/(Decrease) in Cash		**20,810**
Opening cash and cash equivalents		-
Closing Cash and Cash Equivalents	**5**	**20,810**

The accompanying notes form part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Reporting Entity

The Aboriginal and Torres Strait Islander Health Practice Council of New South Wales (the Council), established on 1 July 2012 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 2013 have been authorised for issue by the Council on 21 October 2013.

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), and
- the requirements of the Public Finance and Audit Act 1983 and Regulation.

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. Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

d. 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.

e. 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.

f. Income Recognition

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

The National Registration and Accreditation Scheme (NRAS) 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 (HCCC). The Council was established on 1 July 2012 upon joining the NRAS.

Under s26A of the Law, the complaints element of the registration fees payable during 2013 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 2013 registration fee.

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

g. Personnel Services

Ministry of Health (MOH) being the employer charges the council for personnel services relating to the provision of all employees. Staff costs are shown in the Statement of Comprehensive Income as personnel services in the financial statements of the Council. Amounts owing for personnel services in the Statement of Financial Position represent amounts payable to the MOH in respect of personnel services.

h. Interest Revenue

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

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.

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 Health Professional Councils Authority (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 Nil (all Council shared use asset), or Nil (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 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.

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 period funds only since the Council was established on 1 July 2012.

l. Comparative information

There is no comparative information available as this is the first year of preparation of the financial statements.

m. Grants and contributions

A grant received from the Ministry of Health has been shown as 'income' and is subject to the following conditions:

i. The grant is for the purposes of contributing to the establishment and running costs of the Aboriginal and Torres Strait Islander Health Practitioner Council until 1 July 2014.

ii. If asked by the Ministry of Health, an account of the monies spent must be provided to the Ministry.

iii. If there are any unspent remaining from the grant on 1 July 2014, then, as soon as practicable after 1 July 2014, HPCA is to advise the Ministry of Health (Legal Branch) who will then determine whether the unspent monies should be returned to the Ministry of Health or continue to be used for the purposes of running the Aboriginal and Torres Strait Islander Health Practitioner Council.

n. Cash and cash equivalents

Cash and cash equivalent assets in the statement of financial position would normally comprise cash on hand, cash at bank and short-term deposits and include deposits in the NSW Treasury Corporation's Hour-Glass cash facility, other Treasury Corporation deposits (less than 90 days) and other at-call deposits that are not quoted in the active market.

Bank overdrafts are included within liabilities.

o. Adoption of New and Revised Accounting Standards

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2013, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Council.

NSW Treasury issued NSWTC13/02 circular states not to early adopt any of the new or revised Standards of Interpretations.

List of new standards that are relevant to the Council are as follows:

a) AASB 9 Financial Instruments (2010), AASB 9 Financial Instruments (2009)

b) AASB 13 Fair Value Measurement (2011)

2. EXPENSES EXCLUDING LOSSES

a. Other Operating Expenses

	2013 $
Auditor's remuneration	2,500
	2,500

b. Other expenses

	2013 $
Fees for service	448
	448

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

The Council's accounts are managed by the Health Administration Corporation (HAC). Executive and administrative support functions are provided by the HPCA, which is an administrative unit of the HAC. The HAC 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 HAC are detailed above in Notes 2 to 11.

4. INTEREST REVENUE

	2013 $
Interest revenue from financial assets not at fair value through profit or loss	43
	43

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 HAC. 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.

	2013 %
Weighted Average Interest Rate	3.04

5. CASH AND CASH EQUIVALENTS

	2013 $
Cash at bank - held by HPCA*	20,810
	20,810

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

6. PAYABLES

	2013 $
Trade and other payables	2,980
	2,980

7. FEES IN ADVANCE

	2013 $
Current	
Registration fees in advance	323
	323

Registration fees in advance is the unearned revenue from NSW Regulatory Fees received on behalf of the Council by the HPCA from the AHPRA.

8. RELATED PARTY TRANSACTIONS

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

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

9. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no material unrecorded contingent assets and liabilities as at 30 June 2013.

10. RECONCILIATION OF NET RESULT TO CASH FLOWS FROM OPERATING ACTIVITIES

	2013 $
Net result	17,507
Increase/(Decrease) in fees in advance	323
Increase/(Decrease) in payables	2,980
Net Cash used on Operating Activities	**20,810**

11. 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.

a. Financial Instrument Categories

Financial Assets Class	Note	Category	Carrying Amount 2013 $
Cash and Cash Equivalents	5	N/A	20,810
Receivables [1]		Loans and receivables (measured at amortised cost)	-

Financial Liabilities Class	Note	Category	Carrying Amount 2011 $
Payables [2]	6	Financial liabilities (measured at amortised cost)	2,980

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).
3. There are no financial instruments accounted for at fair value.

b. 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.

c. 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.

d. Market Risk

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

12. EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period to be included in the financial statements as of 30 June 2013.

End of Audited Financial Statements

Appendix 1 – Legislative Changes

Health Practitioner Regulation National Law

During 2012/2013 the NSW Parliament passed two minor amendments to the *Health Practitioner Regulation National Law (NSW)* (the Law).

Amendments were made by the *Health Legislation Amendment Act 2013*. Those amendments are:

1. The inclusion of s 150D(4A) to provide that notwithstanding ss 150D(3) and (4), the Health Care Complaints Commission is not required to investigate a complaint that is referred to it following the taking of immediate action under s 150 if the matter that is the subject of the complaint is being, or has been, investigated as, or as part of, another complaint to the Commission.
2. Amendment of s 152J(b) to provide that a practitioner's consent is required before the Council suspends his or her registration following the recommendation of an Impaired Registrants Panel (IRP). The amendment clarifies that, in keeping with the cooperative and remedial nature of the impaired practitioner process, both suspension and conditions on registration following an IRP require the practitioner's consent.
3. Amendment of clause 11 of Schedule 5C to provide that the appointment of a person as an acting member of a Council or of a member as the acting President of a Council is by the Minister for Health rather than by the Governor.

Health Practitioner Regulation (New South Wales) Regulation 2010

The Governor approved amendments to the *Health Practitioner Regulation (New South Wales) Regulation 2010* concerning the composition of certain Councils. Amendments were made by the *Health Practitioner Regulation (New South Wales) Amendment (Health Professional Councils) Regulation 2012*.

They comprised minor amendments to the membership composition of the Dental Council, Medical Council, Nursing and Midwifery Council, Pharmacy Council, Physiotherapy Council and Psychology Council.

Appendix 2 - Tribunal Members

Chairperson

Mr Oscar Shub

Deputy Chairpersons

The Hon. Jennifer Boland AM
Ms Mary Brennan
Mr Peter Dwyer
Ms Julie Hughes
Mr Michael Joseph SC
Mr Mark Lynch
The Hon. Graham Mullane
Ms Joanne Muller
Mr Ian Newbrun
Mr Nicholas O'Neill
Ms Diane Robinson
Mr Robert Titterton

Index

	Page
Aboriginal and Torres Strait Islander Health Practice Council	3, 4, 5, 6, 7, 8, 9, 17, 18, 19, 20, 22, 23
Aboriginal and Torres Strait Islander Health Practice Tribunal	3, 4, 5, 32
Access	Inside Front Cover
Access to Information (GIPA)	6
Accounts Payable	8
Administration	6
AHPRA	5, 6, 18, 23
Aims and Objectives	3
Annual Report Costs	7
Audit	6
Audit and Risk Committee	6
Australian Health Practitioner Regulation Agency (AHPRA)	5, 6, 18, 23
Budget	9
Charter	3
Council Activities, Promotion of	4
Council Committees	3
Council Membership	3
Executive Officer	4
Exemptions from the Reporting Provisions (EEO, OHS, WRAPP, multicultural and disability)	7
Expenditure	7, 9, 23, 28
Financial Management	7
Financial Statements	10
Government Information (Public Access) Act 2009 (GIPA)	6
Health Care Complaints Commission (HCCC)	3, 17, 26
Health Practitioner Regulation National Law (NSW)	3, 6, 17, 26
Health Practitioner Regulation (NSW) Regulation 2010	3,26
Health Professional Council Authority (HPCA)	3, 6, 7, 8, 20, 22, 23, 25
Human Resources	6
Impaired Registrants Panel (IRP)	3, 4, 5, 32
Independent Auditor's Report	11
Insurance	7
Investment Performance	7
Learning and Development	6
Legislative Changes	4, 26
Letter to the Minister	1
Membership, Tribunal	27
Ministry of Health (MOH)	6, 7, 18, 20
Monitoring and Compliance of Orders and Conditions	5
National Registration and Accreditation Scheme	5
Notes to Financial Statements	17
Notifications (Complaints) Received	5
Organisation Chart	6
Payments Performance	8
Performance	7
Performance Review Panel (PRP)	5
Privacy	6
Promotion of Council Activities	4
Public Interest Disclosures	6
Registration	5
Remuneration	3
Risk Management	6
Shared Services	6
Staff Training	6
Statement by Members of the Council	10
Tribunal	3, 4, 5, 27
Website	4, 7