

**CHIROPRACTIC & OSTEOPATHY BOARD
OF
SOUTH AUSTRALIA**

**ANNUAL REPORT
YEAR ENDED 30 JUNE 2007**

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

21 September 2007

The Hon John Hill, MP
Minister for Health
GPO Box 2555
ADELAIDE SA 5001

Dear Minister

RE: ANNUAL REPORT YEAR ENDED 30 JUNE 2007

The Chiropractic & Osteopathy Board of South Australia hereby submits its report upon the administration of the Chiropractic & Osteopathy Practice Act 2005, for the twelve months ended 30 June 2007.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P Donato', with a large, stylized flourish underneath.

Phillip Donato
CHAIRPERSON

Encl.

16 Norma Street, Mile End, SA 5031 - PO Box 229, Torrensville Plaza, SA 5031
Telephone: (08) 8443 9669 Facsimile: (08) 8443 9550
Email: cbsa@saboard.com.au Website: www.cbsa.saboard.com.au

TABLE OF CONTENTS

		Page No
1	CHARTER	1
2	STRUCTURE	1
3	FUNCTIONS OF THE BOARD	2
4	BOARD MEMBERSHIP	3
5	BOARD & COMMITTEE MEETINGS	5
6	ADMINISTRATION	6
7	WEBSITE	7
8	REGISTRATION FEES	8
9	ADMINISTRATIVE FEES	10
10	GOODS & SERVICES TAX (GST)	11
11	REGISTRATION STATISTICS	11
	(a) Register of Chiropractors	11
	(b) Register of Osteopaths	11
	(c) Chiropractor & Osteopath Registers	11
	(d) Register of Chiropractic Students	12
	(e) Register of Osteopathy Students	12
	(f) Age Cohorts every 5 years by Gender	12
	(g) Registration Movement in 2006/2007	13
	(h) New and Re-Registrations in 2006/2007 (by Country of Training, Legislation and Gender)	13
	(i) Registration Numbers Since Commencement of Act	14
12	CHIROPRACTIC & OSTEOPATHY SERVICE PROVIDERS	14
13	PUBLICATIONS	15
14	CODE OF PROFESSIONAL CONDUCT & PRACTICE	16
15	ONGOING COMPETENCY / CONTINUING EDUCATION	17
16	FREEDOM OF INFORMATION	18

	Page No
17	COMPLAINTS 18
	(a) Against Unregistered Persons (including prosecutions) 18
	(b) Against Registered Practitioners 19
	(c) Health & Community Services Complaints Commissioner 21
18	INQUIRIES 21
19	INVESTIGATION PROCESS 22
20	CRIMINAL HISTORY RECORD CHECKS 23
21	AUSTRALASIAN CONFERENCE OF CHIROPRACTORS & OSTEOPATHS REGISTRATION BOARDS (ACCRB & ACORB) 24
22	MUTUAL RECOGNITION [MR] / TRANS TASMAN MUTUAL RECOGNITION [TTMR] 25
23	ASSESSMENT OF OVERSEAS QUALIFICATIONS 26
24	NATIONAL REGISTRATION & ACCREDITATION SCHEME 26
25	FINANCES - 28
	Certification of the Financial Report 30
	Income Statement for Year Ended 30 June 2007 31
	Balance Sheet as at 30 June 2007 32
	Statement of Changes in Equity for Year Ended 30 June 2007 33
	Cash Flow Statement for Year Ended 30 June 2007 34
	Note Index 35
	Notes to and Forming part of the Financial Statements 36
	Auditor's Report 45

1 CHARTER

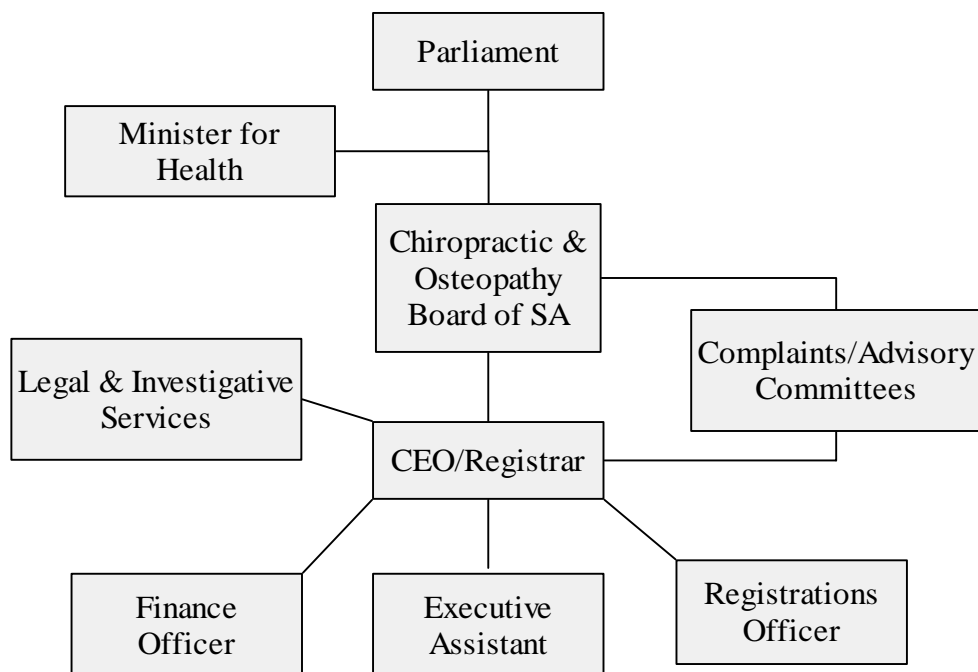
The Chiropractors Board of South Australia was established by the *Chiropractors Act 1979* which was proclaimed on 27 April 1981 and continued in existence under the *Chiropractors Act 1991* which was proclaimed on 25 June 1992.

The Chiropractic & Osteopathy Board of South Australia (the Board) was established under the *Chiropractic & Osteopathy Practice Act 2005* (the Act) which was proclaimed on 27 July 2006 and repealed the *Chiropractors Act 1991*.

The Board is a body corporate and must exercise the powers, authorities, duties and functions imposed on it by the Act.

The Board is the statutory authority in South Australia responsible to Parliament for the administration of the Act, which provides for the registration of chiropractors, osteopaths, chiropractic students and osteopathy students, the regulation of the provision of chiropractic and osteopathy for the purpose of maintaining high standards of competence and conduct by those who provide it, and for other purposes.

2 STRUCTURE



3 FUNCTIONS OF THE BOARD

The Board is responsible for the protection of the health and safety of the public through the following functions as set out in Section 14 of the Act:

(1) The functions of the Board are as follows:

- (a) to oversee the practice of chiropractic and osteopathy in the public interest;*
- (b) to approve, after consultation with authorities considered appropriate by the Board, courses of education or training that provide qualifications for registration under this Act;*
- (c) to determine, after consultation with authorities considered appropriate by the Board, the requirements necessary for registration under this Act;*
- (d) to establish and maintain the registers contemplated by this Act;*
- (e) to prepare or endorse, subject to the approval of the Minister, codes of conduct or professional standards for registered persons, or codes of conduct for chiropractic or osteopathy service providers;*
- (f) to prepare or endorse guidelines on continuing chiropractic or osteopathy education for chiropractors and osteopaths;*
- (g) to establish administrative processes for handling complaints received against registered persons, chiropractic or osteopathy services providers or persons who occupy positions of authority in corporate or trustee chiropractic or osteopathy services providers (which may include processes under which the registered person, provider or person who occupies the position voluntarily enters into an undertaking);*
- (h) to provide advice to the Minister as the Board considers appropriate;*
- (i) to carry out other functions assigned to the Board by or under this Act, or by the Minister.*

(2) The Board must perform its functions under this Act with the object of protecting the health and safety of the public by achieving and maintaining high professional standards both of competence and conduct in the provision of chiropractic and osteopathy in this State.'

4 BOARD MEMBERSHIP

In accordance with Section 6 of the Act, the Board consists of nine members appointed by the Governor.

As at 30 June 2007 the Board comprised the following persons:

(a) *Four registered chiropractors elected in accordance with the Election Regulations by registered chiropractors -*

Phillip Raymond DONATO B App Sc (Chiropractic)
(Presiding Member/Chairperson)
 First Appointed: 25 June 1992 Expiry Date: 26 July 2009

Kendall Ward LEEMBRUGGEN B App Sc (Chiropractic)
(Deputy Presiding Member/Chairperson)
 First Appointed: 1 August 2002 Expiry Date: 26 July 2009

Patrick Martin SIM B Sc, M Chiropractic
 First Appointed: 27 July 2006 Expiry Date: 26 July 2009

Charles Fred WILLIAMSON D Chiropractic
 First Appointed: 16 July 2004 Expiry Date: 26 July 2009

(b) *An osteopath elected in accordance with the Election Regulations by registered osteopaths-*

Andrea Louise WHEATLEY B Sc (Clin Sc), M H Sc (Ost)
 First Appointed: 27 July 2006 Expiry Date: 26 July 2009

It should be noted that for the first election of Board members under the Act, the osteopath Board member was nominated by the Minister. In future elections the osteopath Board member will be elected in accordance with the Election Regulations.

(c) *A legal practitioner nominated by the Minister -*

Franca PETRONE
 First Appointed: 27 July 2006 Expiry Date: 26 July 2008

(d) *A medical practitioner nominated by the Minister -*

Susan Elizabeth SVILANS MBBS, MHA, FRACMA
 First Appointed: 27 July 2006 Expiry Date: 26 July 2008

5 BOARD & COMMITTEE MEETINGS

Board Meetings

Attendance at Board meetings during the 2006/2007 year was as follows:

Dr P R Donato (Chairperson)	10
Dr K W Leembruggen (Deputy Chair)	11
Dr C F Williamson	11
Mr N Forest	10
Dr P M Sim	10
Dr A L Wheatley	10
Ms A Burgess	5
Ms F Petrone	4
Dr S Svilans	3
Ms C R Christie	1
Dr D R Furniss	1

Committee Meetings

Attendance at meetings of the *Ongoing Competency Review Committee* during the 2006/2007 year were as follows:

Dr P R Donato (Committee Chair)	(chiropractic member - Board)	4
Dr T Crisp	(education representative)	4
Dr C F Williamson	(chiropractic member – Board)	4
Dr B Logan	(WCA-AUST)	3
Dr G Mladenovic	(CAA SA)	3
Ms F Petrone	(legal representative – Board)	2
Dr A Wheatley	(osteopath member – Board)	2
Mr P Martin (Registrar/CEO)	(committee convener)	4

Attendance at meetings of the *Code of Conduct Review Committee* during the 2006/2007 year were as follows:

Dr K W Leembruggen (Committee Chair)	(chiropractic member - Board)	9
Mr A Destro	(WCA-AUST)	8
Dr C F Williamson	(chiropractic member – Board)	8
Dr P M Sim	(CAA SA)	7
Dr A Wheatley	(osteopath member – Board)	6
Ms F Petrone	(legal representative – Board)	2
Mr P Martin (Registrar/CEO)	(committee convener)	9

The *Complaints Committee* comprising the Registrar and one or more Board members met when the need arose to consider the substance and progress of complaints and to offer, when necessary, appropriate counselling to practitioners. The Committee is chosen by the Board on a case by case basis.

Other Meetings

The Chairperson, Dr K Leembruggen, Dr C Williamson and the Registrar represented the Board at the Australasian Conference of Chiropractors Registration Boards held in Adelaide, South Australia on 23 September 2006.

Dr A Wheatley and the Registrar represented the Board at the Australasian Conference of Osteopaths Registration Boards held in Adelaide, South Australia on 24 September 2006.

Regular meetings are held between the Registrars of the South Australian Health Registration Boards.

The Chairperson met with the Chairpersons of the Psychological, Occupational Therapy and Podiatry Boards on 11 December 2006 to discuss matters of mutual interest and concern.

6 ADMINISTRATION

Pursuant to Sections 12 and 13 of the Act the following staff are employed by the Board:

❖ Peter John Martin, JP	Registrar/Chief Executive Officer
❖ Jennifer Vincent, JP	Office Manager/Executive Assistant
❖ Liz Girolamo	Finance Officer
❖ Angela Wicks	Registrations Officer

No officer or employee of the Board is a Public Service employee.

Salaries, accommodation outgoings and most other administrative costs were shared with the Psychological, Occupational Therapy and Podiatry Registration Boards under an agreed annual cost-sharing arrangement. The Board's share of these costs for the 2006/2007 financial year was 28% with the Board taking responsibility for the employment of staff and provision of office accommodation, furniture and equipment.

The Registrar and staff are responsible to the Board for providing the following services:

- Process applications for registration and provide information on eligibility for registration.
- Maintain up to date registers and documentation (twelve (12) active and lapsed registers are kept).
- Provide an annual registration renewal service.
- Ensure the efficient and effective use of the Board's physical, financial and human resources.

- Initiate and develop the Board's registration, discipline, educational, professional and communication policies and procedures.
- Investigate complaints of unprofessional conduct, incompetence or fitness to practice.
- Investigate complaints regarding breaches of the Act.
- Convene Board and Committee meetings, formal inquiries and national conferences as needed.
- Liaise and communicate with the public, profession, government and non-government agencies.

Office hours are Monday to Friday 9.00am to 5.00pm, closed 12.30pm to 1.30pm.

The Crown Solicitor provides the Board with legal services. Investigators from the Attorney-General's Department and Quark & Associates provide the Board with investigative services.

The Registrar is empowered under the Act to exercise various regulatory, disciplinary and other statutory functions. He is also the Chief Executive Officer of the Office formed by the Chiropractic & Osteopathy Board of South Australia, South Australian Psychological Board, Occupational Therapy Board of South Australia and Podiatry Board of South Australia.

7 WEBSITE

The Board has established a comprehensive website at the address 'www.cbsa.sboards.com.au'.

The Act and Regulations, application forms, annual report and the Board's publications and policies can be viewed/downloaded from this site.

The Registers kept by the Board (chiropractors, osteopaths, chiropractic students, osteopathy students, chiropractic service providers and osteopathy service providers – both current and lapsed) are available on the website with an advanced search engine and updating facility. A search can be done by name, postcode or language selection. Employment addresses and phone numbers are published where registrants have given their approval.

The website also features a '*What's New*' section which is used to keep the profession advised of matters of interest and is updated approximately monthly to ensure that the information is current and relevant. There is also an archive of '*What's New*' items which is accessible from the home page.

From March 2006 advice of updates to the 'What's New' section of the website (usually monthly) are being sent by email to:

- registered persons who have provided the Board with an email address;
- all Chiropractic and Osteopathy Registration Boards in Australia and New Zealand;
- non-professional Board members;
- relevant professional Associations;
- Registrars of the other health professional Boards in South Australia.

8 REGISTRATION FEES

As at 30 June 2007 the fees under the new legislation were fixed by the Board as follows:

Application for Registration

(a)	Register of Chiropractors	100
	BUT for new graduates (<i>within 6 months of conferral date of degree</i>)	50
(b)	Register of Osteopaths	100
	BUT for new graduates (<i>within 6 months of conferral date of degree</i>)	50

(plus Annual Practice Fee – see below)

Application for Reinstatement of Registration

(a)	Register of Chiropractors	100
(b)	Register of Osteopaths	100

Annual Practice Fee (*registration year 1 January to 31 December – due 30 November*)

(a)	Register of Chiropractors	600
(b)	Register of Osteopaths	600
(c)	Non-practising fee	150
	<i>(non-practising declaration MUST be submitted to the Board)</i>	

For practitioners applying for registration for the first time or applying for reinstatement of registration, the annual practice fee is also payable and will vary depending on the month the application is lodged. The annual practice fee is refundable if the application is refused or withdrawn.

Application lodged:	January to March	600
	April to June	450
	July to September	300
	October to December	150

Temporary Registration for a period up to 2 months (locum) <i>(in addition to application fee)</i>	100
---	-----

The above registration fees do not apply to chiropractic or osteopathy students during their course of study.

All fees are non-refundable and GST exempt unless otherwise indicated.

Increase in Annual Renewal Fee

The annual practice fee (renewal fee) was increased from \$500 to \$600 for the 2007 registration (calendar) year to keep in line with inflation and increased operating costs, and to meet the additional requirements of the Board under the new Chiropractic & Osteopathy Practice Act 2005 and Regulations.

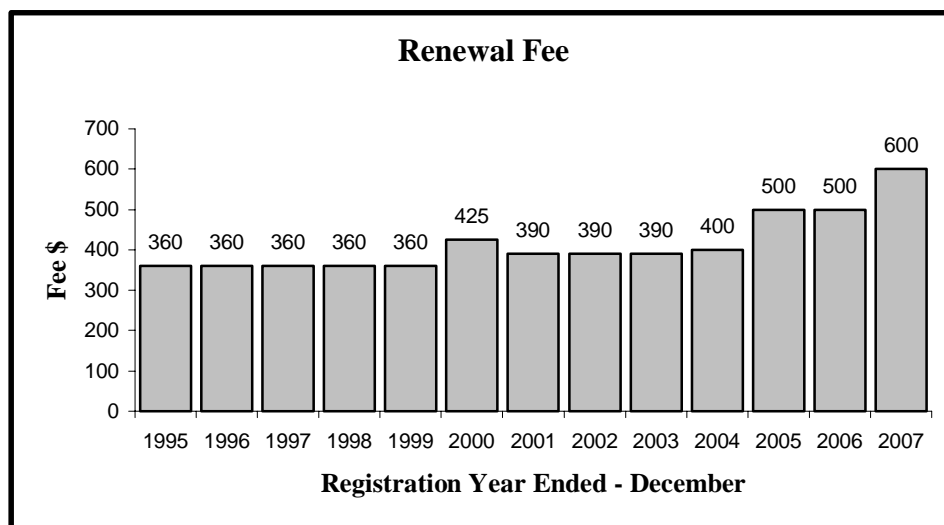
The most significant of these activities, in terms of costs include:

- The creation and maintenance of additional registers from 1 to 12, including:
 - The creation and maintenance of an osteopaths register and chiropractic student and osteopathy student registers.
 - The creation and maintenance of registers of persons who have been removed from the student and general registers.
 - Databases of active chiropractic and osteopathy service providers and those removed.
- Using the State Electoral Office to conduct elections for 5 Board positions (4 chiropractors and 1 osteopath). This is a new requirement.
- Increased members of the Board from 7 to 9.
- The need to check that all applicants for registration or renewal of registration are medically fit to practise and hold appropriate professional indemnity insurance cover.
- Potential for increased activity related to inquiries and investigations of chiropractic and osteopathy service providers.
- Ongoing competency audits of all registered persons.
- Criminal history checks at the time of registration or renewing registration.
- Orientation for Board members in relation to the new Act, expectations and responsibilities.
- Seminar(s) for the profession to explain the requirements of the new Act.
- Employment of additional staff member to assist with added requirements of the new Act.

In addition, the Board is no longer required to register company practitioners and this will result in a significant loss of revenue.

It is also anticipated that the legal, investigative and inquiry expenses of the Board will be substantial given the many complaints received against a small minority of chiropractors and the resultant formal disciplinary proceedings to be instituted.

The following bar chart shows the increase in the annual renewal fee since 1995:



Registration fees are increased when necessary to cover increases in operating expenditure.

Significant funds should also be kept in reserve for leave purposes and unexpected legal and investigative expenditure.

It is a policy of the Government that the Board be financially self-supporting.

9 ADMINISTRATIVE FEES

The Board has approved the following schedule of administrative fees:

(GST exempt unless indicated)	\$
Active Registers (<i>student & general</i>) - each	40
Inspection of Active Registers - each	10
Copy of Extract from Active Registers - each	10
Duplicate Certificate of Registration	20
Certificate of Good Standing / Verification of Registration	20
New or Additional Qualifications on Register - each	10
Inspection of Record of Chiropractic or Osteopathic Services Provider	10
Postal address labels (<i>Approved by Board for professional, educational or research reasons</i>)	30c/label + GST
Photocopying (per page)	50c + GST

These fees do not apply to any application for registration or renewal of registration.

10 GOODS & SERVICES TAX (GST)

In accordance with Determination 2000 made under Section 81-5 of *A New Tax System (Goods & Services Tax) Act 1999*, the following fees of the Board are exempt -

- Registration and renewal fee
- Entering new qualifications on the Register
- Duplicate Registration Certificate
- Preparation of Statements verifying registration
- Inspection of Register and extracts from Register

Fees charged which are not GST exempt include photocopying and postal address labels.

11 REGISTRATION STATISTICS

(a) *Register of Chiropractors*

<i>Number currently registered (30 June 2007)</i>		<u>324</u>
Comprising:		
Full registration	298	
Temporary	1	
Limited	1	
Deemed	1	
Non-practising	<u>23</u>	<u>324</u>
Males	70% 227	
Females	30% <u>97</u>	<u>324</u>
Number residing in South Australia	304	
Number presently Interstate	3	
Number presently Overseas	<u>17</u>	<u>324</u>

(b) *Register of Osteopaths*

<i>Number currently registered (30 June 2007)</i>		<u>29</u>
Comprising:		
Full registration	25	
Non-practising	<u>4</u>	<u>29</u>
Males	66% 19	
Females	34% 10	<u>29</u>
Number residing in South Australia	25	
Number presently Interstate	1	
Number presently Overseas	<u>3</u>	<u>29</u>

(c) *Chiropractor & Osteopath Registers*

<i>Number currently registered on both Registers (30 June 2007)</i>		<u>13</u>
---	--	------------------

(d) Register of Chiropractic Students**Number currently registered (30 June 2007) 1**

Comprising:

Full registration		1	1
Males	100%	1	1
Number residing in South Australia		1	1

(e) Register of Osteopathy Students**Number currently registered (30 June 2007) NIL****(f) Age Cohorts every 5 years by Gender**Chiropractors:

Age Group	Male	Female	Total
Under 25	2	5	7
25 to 29	29	18	47
30 to 34	32	28	60
35 to 39	24	18	42
40 to 44	23	9	32
45 to 49	33	5	38
50 to 54	23	5	28
55 to 59	28	5	33
60 to 64	10	1	11
65 to 69	17	0	17
70 to 74	3	2	5
75 and over	3	1	4
Total	227	97	324
Average Age	45.1	36.9	42.7

Osteopaths:

Age Group	Male	Female	Total
Under 25	0	0	0
25 to 29	1	2	3
30 to 34	1	4	5
35 to 39	1	0	1
40 to 44	2	1	3
45 to 49	2	1	3
50 to 54	3	0	3
55 to 59	1	1	2
60 to 64	5	1	6
65 to 69	1	0	1
70 and over	2	0	2
Total	19	10	29
Average Age	53.5	38.7	48.4

(g) Registration Movement in 2006/2007

Registered as at 30 June 2006 341
(Register of Chiropractors including both chiropractors and osteopaths under previous Act)

Register of Chiropractors (under new Act)

New registrations (794 - 821) 28
 Re-registrations 11
 Registrations lapsed - transfer to Osteopaths Register 15
 - non payment of fees etc. 13
 - requested to lapse 28
 Number registered as at 30 June 2007 **324**

Register of Osteopaths (under new Act)

New registrations (1 - 34) 34
 Re-registrations 0
 Registrations lapsed - non payment of fees etc 1
 - requested to lapse 4
 Number registered as at 30 June 2007 **29**

Register of Chiropractic Students (under new Act)

New registrations (1) 1
 Number registered as at 30 June 2007 **1**

Register of Osteopathy Students (under new Act)

Number registered as at 30 June 2007 **NIL**

**(h) New and Re-Registrations in 2006/2007
 (by Country of Training, Legislation & Gender)**

Register of Chiropractors:

Country	Applied Under						Total		Grand Total
	Act		MR		TTMR		M	F	
	M	F	M	F	M	F			
Australia	8	6	8	5	0	0	16	11	27
Canada	0	0	1	0	0	0	1	0	1
New Zealand	0	0	3	0	1	0	4	0	4
U.K.	0	0	1	0	0	0	1	0	1
U.S.A.	0	1	4	1	0	0	4	2	6
TOTAL	8	7	17	6	1	0	25	12	39

Register of Osteopaths:

Country	Applied Under						Total		Grand Total
	Act		MR		TTMR		M	F	
	M	F	M	F	M	F	M	F	
Australia	16	13	1	0	0	0	17	13	30
U.K.	3	0	0	0	0	0	3	0	3
Wales	0	0	1	0	0	0	1	0	1
TOTAL	19	13	2	0	0	0	21	13	34

(i) *Registration Numbers Since Commencement of Act*(i) *Register of Chiropractors under previous legislation (including chiropractors and osteopaths)*

30 June 1981:	49	30 June 1990:	226	30 June 1999:	263
30 June 1982:	169	30 June 1991:	231	30 June 2000:	258
30 June 1983:	180	30 June 1992:	237	30 June 2001:	281
30 June 1984:	189	30 June 1993:	229	30 June 2002:	298
30 June 1985:	205	30 June 1994:	231	30 June 2003:	299
30 June 1986:	206	30 June 1995:	236	30 June 2004:	307
30 June 1987:	209	30 June 1996:	252	30 June 2005:	320
30 June 1988:	212	30 June 1997:	254	30 June 2006:	341
30 June 1989:	211	30 June 1998:	251		

12 CHIROPRACTIC & OSTEOPATHY SERVICE PROVIDERS

Under the *Chiropractic & Osteopathy Practice Act 2005*, a chiropractic or osteopathy service provider is defined as:

‘a person (not being a chiropractor or osteopath) who provides chiropractic or osteopathy through the instrumentality of a chiropractor, osteopath, chiropractic student or osteopathy student but does not include an exempt provider.’

An exempt provider is defined as:

- (a) a recognised hospital, incorporated health centre or private hospital within the meaning of the South Australian Health Commission Act 1976; or*
- (b) any other person declared by the regulations to be an exempt provider for the purposes of this Act,’*

Section 33 of the Act requires that service providers must give the Board the following information which the Board must retain and keep available for inspection (on payment of the prescribed fee) by any person attending at the office of the Board during business hours:

- the provider’s full name and business address (or in the case of a corporation the registered address); and

- the address of the premises at which the provider provides chiropractic or osteopathy; and
- the full names and nominated contact addresses of the chiropractors or osteopaths through which chiropractic or osteopathy is provided; and
- in the case of a corporate or trustee service provider, the full names and addresses of all persons who occupy a position of authority in the provider.

This information must be provided:

- within 60 days of the commencement of the Act for those who were providers immediately before commencement of the Act;
- in any other case, within 60 days of becoming a provider.

If there is a change to any of the details held by the Board (ie. change of employees, change of address etc.) this must be advised to the Board in writing within 30 days of the change.

The Act also provides for ‘corporate or trustee service providers’ and these providers must also provide information to the Board regarding all persons in a position of authority. Existing chiropractic or osteopathy companies will most likely fall under these definitions.

Failure to comply with any of these requirements is an offence under the Act, liable to a maximum penalty of \$10,000.

In accordance with the above requirements the Board now retains a list of service providers which is also available to the public via the ‘*Search*’ facility on the Board’s website.

As at 30 June 2007 the Board holds details for 40 Chiropractic Service Providers and 2 Osteopathy Service Providers.

13 PUBLICATIONS

The Board has produced the following publications for the information of practitioners and members of the public:

- ***Code of Professional Conduct & Practice***
Revised October 2005 (currently being revised in accordance with the new legislation)
- ***Guidelines on Registration***
Revised August 2006
- ***Investigation Process – Unprofessional Conduct/Fitness to Practice***
Revised November 2006
- ***Guidelines for Fieldwork Programs***
August 2006
- ***Consumer Information***
August 2006

- ***FOI Information Statement 2006***
- ***Newsletters and Notices to the Profession and Public***
since 1999
- ***Annual Report***
1985 to current
- ***Policy for Registered Chiropractors & Osteopaths regarding Assistants in Chiropractic or Osteopathy Practice***
Adopted May 2006
- ***Annual Report Recording***
Adopted November 2000
- ***Release of Postal Address Labels***
Adopted November 2003
- ***Practitioner vs Practitioner Complaints***
Adopted July 1999
- ***English Language Proficiency***
Adopted May 2006
- ***Entry of Additional Qualifications on the Register***
Adopted February 2007

The above documentation is available for viewing or downloading from the Board's website (www.cbsa.sboards.com.au). Only Annual Reports from 2001 onwards will be available online.

14 CODE OF PROFESSIONAL CONDUCT & PRACTICE

In September 2006 the Board revised its Code of Professional Conduct & Practice in accordance with the requirements of the new legislation. An initial draft was circulated to the profession and written submissions were received.

In November 2006 a Code of Conduct Review Committee was formed to consider these submissions and make appropriate recommendations to the Board regarding the draft document. Membership of the Committee was comprised as follows:

One representative	Chiropractors Association of Australia (SA Branch)
One representative	World Chiropractic Alliance (Australia)
Two chiropractic representatives	Board members
One osteopathic representative	Board member
One legal representative	Board member
Convener	Registrar of the Board

The Committee met on nine occasions to consider the submissions received together with the draft Code.

The final draft was forwarded to the Minister for Health for approval, in accordance with Section 14(1)(e) of the Act, on 12 June 2007.

Practitioners are expected to comply with the Code as a breach may lead to a complaint of unprofessional conduct.

The Code is not exhaustive - any dereliction of professional duty and/or responsibility may give rise to an allegation of unprofessional conduct.

15 ONGOING COMPETENCY / CONTINUING EDUCATION

Under the new Act, one of the functions of the Board is to prepare or endorse guidelines on continuing education for registrants. The Board must ensure that all registrants are competent and safe to practise and provide high quality health care to the public.

In September 2006 the Board prepared a draft Ongoing Competency Model For Maintaining Registration and circulated this to the profession seeking written submissions/comments. In late 2006 an Ongoing Competency Review Committee was formed to consider these submissions and make appropriate recommendations to the Board regarding the draft document.

Membership of the Committee was comprised as follows:

One educational representative	Registered chiropractor
One representative	Chiropractors Association of Australia (SA Branch)
One representative	World Chiropractic Alliance (Australia)
Two chiropractic representatives	Board members
One osteopathic representative	Board member
One legal representative	Board member
Convener	Registrar of the Board

The Committee met on four occasions to consider the submissions received together with the draft Model. In April 2007, a second draft was placed on the Board's website for comment by the profession, stakeholders and interested parties.

The Board is presently seeking a regulation to compel a practitioner to take part in an audit relating to their competency and professional development.

16 FREEDOM OF INFORMATION

The Board has published an Information Statement as required by Section 9 of the *Freedom of Information Act 1991*. The Information Statement contains advice on:

- structure and functions
- effect of functions on members of the public
- public participation in policy formulation
- kinds of documents held
- access arrangements and procedures.

The Statement is available from the offices of the Board or can be downloaded from the Board's website.

Application and processing fees are in accordance with the *Freedom of Information (Fees & Charges) Regulations 2003*.

The Registrar is an accredited FOI Officer under the provisions of the *Freedom of Information Act 1991*.

No enquiries or applications under the Freedom of Information Act for access to documents in the possession of the Board were made during the year ended 30 June 2007.

17 COMPLAINTS

(a) *Against Unregistered Persons (including prosecutions)*

During the year one (1) complaint was dealt with by the Board against a person not registered for a breach of the Act.

The complaint is **summarised** as follows:

Breach of Section 37 of the Act – Provision of Chiropractic or Osteopathy by Unqualified Persons

<u>Allegation</u>	<u>Result of Investigation</u>
Person offering “skeletal re-alignment”.	Not within the jurisdiction of the Board – referred to the professional association.

(b) Against Registered Practitioners

During the year twenty three (23) complaints were dealt with by the Board against persons registered under the Act for various forms of unprofessional conduct.

These complaints are **summarised** as follows:

(i) Unprofessional Conduct
(seventeen (17) complaints)

<u>Allegation</u>	<u>Result of Investigation</u>
Practitioner overserviced patients and pressured them to sign contracts for care (5 complainants).	Still under investigation.
Practitioner overserviced patients and pressured them to sign contracts for care (3 complainants).	Still under investigation.
Practitioner pressured patient to sign contract for care and refused to treat unless spouse also attended.	Still under investigation.
Practitioner was rude, pressured patient to sign contract for care and to bring spouse. Treatment given was brief and inadequate.	Still under investigation.
Practitioner offered care plan which breaches the Board's Code of Professional Conduct & Practice.	Still under investigation.
Practitioner overserviced patient and pressured to enter into contract for care (under false pretences).	Still under investigation.
Practitioner touched female patient in an inappropriate and sexual way during treatment.	Still under investigation.
Practitioner billed patient for physiotherapy services performed by a person that did not treat him (received massage).	No grounds to lay a formal complaint before the Board, but recommended to practitioner that in future patients who are to receive services other than standard chiropractic consultations be clearly informed of the type of services they will receive and the billing codes related to those services.

Practitioner breached contract entered into with another practitioner.	Not within the jurisdiction of the Board. Recommended to seek advice from a legal practitioner.
Practitioner falsely diagnosed sbluxation of lumbar spine when patient actually had multiple myeloma.	Insufficient grounds to lay a formal complaint before the Board. No further action.
Practitioners misappropriated database of another practitioner whilst working at the clinic on a contract basis (legal advice also sought).	Not within the jurisdiction of the Board. No intention to investigate until civil or criminal proceedings instituted and finalised.

(ii) Advertising
(two (2) complaints)

<u>Allegation</u>	<u>Result of Investigation</u>
Practitioner used misleading and deceptive advertising, including the use of testimonials.	Still under investigation.
Practitioner using distasteful and tacky advertising	Advertising in accordance with the Board's Code of Professional Conduct & Practice. No action taken.

(iii) Competence
(three (3) complaints)

<u>Allegation</u>	<u>Result of Investigation</u>
Practitioner offered care plan which did not comply with the Board's Code of Professional Conduct & Practice.	Practitioner asked to voluntarily enter into a mentoring relationship with a practitioner appointed by the Board to assist in implementing necessary changes to care plans and record keeping procedures.
Practitioner offered care plans which did not comply with the Board's Code of Professional Conduct & Practice.	Practitioner has voluntarily entered into a mentoring relationship with practitioner appointed by the Board to assist in implementing necessary changes to care plans and record keeping procedures.

Practitioner did not keep adequate records.

Practitioner entered into a voluntary mentoring relationship with a practitioner appointed by the Board to assist in implementing necessary changes to record keeping procedures. Mentoring successfully completed and practitioner now meets Board's required level of record keeping.

- (iv) Negligence
(one (1) complaint)

<u>Allegation</u>	<u>Result of Investigation</u>
Practitioner convinced patient to enter into agreement for 12 visits over 6 weeks – practitioner caused injury during treatment and patient was left feeling worse and in pain.	Patient withdrew complaint due to ill health.

(c) *Health & Community Services Complaints Commissioner*

During the year the Board forwarded to the Commissioner a summary of all complaints it received against registered practitioners detailing the name of the complainant, practitioner and the content of the complaint.

No complaints were referred by the Commissioner to the Board during this period.

18 INQUIRIES

Disciplinary – Appeal

On 30 August 2005 the Board of Inquiry found that there was proper cause for disciplinary action against a chiropractor as the practitioner was guilty of unprofessional conduct in that:

1. The chiropractor had provided the complainant with a written corrective care plan that was inappropriate for the complainant in that:
 - it was insufficiently tailored to the complainant's individual circumstances; and
 - the number of treatments proposed in the intensive care adjustment schedule in the plan was excessive,

and, as such, the plan did not accord with paragraphs 4.1 and 4.2 of the Chiropractors Board of South Australia's Code of Professional Conduct and Practice; and

2. The chiropractor's manner of presentation to the complainant generally and in relation to the corrective care plan in particular portrayed the chiropractic profession in a negative light.

The Board heard submissions as to penalty and costs from counsel for the Registrar and counsel for the chiropractor.

On 8 November 2005 the Board formally reprimanded the practitioner and agreed that both parties meet their own costs.

The practitioner appealed the Board's decision to the Supreme Court. On 23 August 2006 the Hon Justice Debelle dismissed this appeal and the Board's decision was brought into force.

19 INVESTIGATION PROCESS

Should a member of the public or profession wish to complain about the conduct or practice of a registered practitioner or a service provider, the appropriate channel is to the Board.

The Board has authority to investigate the professional conduct and fitness to practise of registered practitioners and service providers and to impose sanctions where necessary.

The Complaints Committee of the Board comprising the Registrar and one or more Board members or members of the profession appointed by the Board, conducts preliminary enquiries. Upon completion of the investigation (by the Committee and/or the Board's investigators) and legal advice from the Crown Solicitors Office the Registrar may lay a formal complaint before the Board for an inquiry to be held into the conduct of the practitioner or service provider. An expert witness may also be asked to give an opinion on the conduct of the practitioner or service provider, or breach of the Act. It should also be noted that at any time an aggrieved person also has the right to lay a complaint directly before the Board.

The question of whether any particular course of conduct amounts to unprofessional conduct is a matter to be determined by the Board after considering the evidence in each individual case.

Comprehensive documentation has been published (Investigation Process, Information Sheet for Notifiers, and Notification of Complaint Form) and are available from the offices of the Board or from the Board's website.

20 CRIMINAL HISTORY RECORD CHECKS

Under the new legislation:

- all applicants for registration (including students) must be fit and proper persons;
- there will be cause for disciplinary action (besides unprofessional conduct) should a registrant for any reason no longer be a fit and proper person to be registered.

Given these additional requirements and the recent Parliamentary Review Committee's inquiry into the Medical Board and the Nurses Board, criminal history checks will be carried out by the Board on all new applicants and current registrants.

Although the Board cannot compel a person to give consent for the Board to undertake a criminal history check, it can require a National Police Certificate as part of the information to be provided on application for registration and renewal. The Board now provides all applicants with the option of signing a consent for the Board to obtain a criminal history record check or providing a Police Certificate.

The Board has been liaising with CrimTrac (a Commonwealth Government Agency) to arrange accreditation for criminal history checks to be conducted by that Agency on behalf of the Board. A signed contract is now in place and final arrangements are being made with regard to computer software etc. Once the system is in place the Board will conduct checks via CrimTrac on all applicants who have obtained initial or renewal of registration since the new Act was proclaimed and provided a signed consent form.

Strict codes of conduct and confidentiality will apply and CrimTrac staff will visit the offices of the Board to ensure that these are being abided by.

Offences will most likely be assessed using the following general guidelines:

- Child protection implications, age and vulnerability
- Relevance in a practice environment
- The gravity and nature of convictions
- Circumstances surrounding the offence(s), whether alcohol, drugs or a weapon was involved
- The harm to any victim including injury or loss
- Adverse impact on the profession
- Total criminal history
- Severity of sentence imposed
- Length of time since offence, any rehabilitation
- Age at time of offence(s), eg. adult or juvenile
- Evidence of the applicant's good character since offence committed
- Whether offence has been decriminalised
- Whether found guilty 'without conviction'
- Whether penalty restricted only to a fine
- Personal circumstances at the time of offending

21 AUSTRALASIAN CONFERENCES OF CHIROPRACTORS & OSTEOPATHS REGISTRATION BOARDS (ACCRB & ACORB)

The Australasian Conferences of Chiropractors & Osteopaths Registration Boards were held in Adelaide, South Australia on 23 and 24 September 2006, with representation from all State and Territory Registration Boards and New Zealand.

The Chairperson, Registrar and two chiropractor Board members attended ACCRB and the Registrar and the osteopath Board member attended ACORB.

Some of the major issues discussed were:

ACCRB:

- COAG Proposal for National Registration
- Complaint and Investigation Processes
- Criminal History Checks
- Professional Indemnity Insurance
- Codes of Conduct and Practice
- CBP/WLP Practices / Contracts of Care
- Competency and Recency of Practice / Clinical Audits
- Advertising

ACORB:

- COAG Proposal for National Registration
- National Examination and Accreditation Taskforce Committees
- Codes of Conduct and Practice
- Interstate Osteopaths Attending Courses in Victoria and South Australia
- Ongoing Competency and Recency of Practice
- Complaint and Investigation Processes
- Consent for Treatment and Confidentiality
- Accreditation of Courses
- Formation of a Peak Body

Since 1982 the South Australian Board has prepared and maintained a Resolution Book of Conference decisions for ACCRB.

A meeting of Registrars of both professions was held to consider the follow up action from the Conferences and to discuss general administrative issues.

The next ACCRB and ACORB meetings are planned to be held in Cairns, Queensland on 25 and 26 August 2007 with a National Registrars meeting to be held afterwards.

22 MUTUAL RECOGNITION [MR] / TRANS TASMAN MUTUAL RECOGNITION [TTMR]

Under the provisions of the *Mutual Recognition (SA) Act 1993* and the *Trans Tasman Mutual Recognition (SA) Act 1999*, a person who holds current registration and is in good standing in another participating jurisdiction of Australia or New Zealand is entitled to be registered to practise as a chiropractor or osteopath in South Australia upon making due application.

Mutual recognition applies between all States/Territories of Australia. TTMR applies between New Zealand and all registered States/Territories of Australia with the exception of Western Australia.

Applicants receive a certificate of deemed registration until the Board determines the application (must be within one month of lodgement). The Board grants substantive registration or registration under the Act on such conditions (if any) imposed by the first registering authority. Substantive registration may be postponed or refused in cases where, for example, statements made in the application/notice are found to be materially false or misleading.

It should be noted that pursuant to Section 33(1) of the *Mutual Recognition Act 1992* of the Commonwealth (adopted by the *Mutual Recognition (SA) Act 1993*) and Section 32 of the *Trans Tasman Mutual Recognition Act 1997*:

'If a person's registration in an occupation in a State (or New Zealand):

- (a) is cancelled or suspended; or*
- (b) is subject to a condition;*

on disciplinary grounds, or as a result of or in anticipation of criminal, civil or disciplinary proceedings, then the person's registration in the equivalent occupation in another State (or New Zealand) is affected in the same way.'

Such suspension, cancellation or conditions will therefore be placed on the registration of a practitioner immediately upon notification from another State or New Zealand.

Pursuant to Section 33(2) of the *Mutual Recognition Act*, the Board may reinstate any cancelled or suspended registration, or waive any such condition if it thinks it appropriate in the circumstances.

A submission by a practitioner would need to be made to the Board and the practitioner may be granted a hearing. The power to waive is the exception rather than the general rule. The Board must put a high emphasis on the protection of the health & safety of the public - higher than the interests of the individual.

23 ASSESSMENT OF OVERSEAS QUALIFICATIONS

Chiropractors

Overseas trained chiropractors wishing to obtain registration or seeking migration under the Skilled Migration Category must firstly undertake an assessment of their qualifications and competency conducted by the Council on Chiropractic Education Australasia (CCEA).

The assessment process involves 2 stages:

- (a) Stage I – Desktop Audit
- (b) Stage II – Competency Board Screening Examination

Full details of the assessment process can be obtained from the Council on Chiropractic Education Australasia's website www.ccea.com.au.

Osteopaths

The South Australian Board does not recognise any overseas osteopathic qualifications for registration and has no assessment process in place.

However, the Board recognises successful completion of the skills assessment conducted by the Osteopaths Registration Board of Victoria for registration purposes.

Full details of the assessment process can be obtained from the website www.osteoboard.vic.gov.au.

24 NATIONAL REGISTRATION & ACCREDITATION SCHEME

On 14 July 2006 the Council of Australian Governments (COAG) released its response to the Productivity Commission's Report on Australia's Health Workforce.

COAG agreed to establish:

- a single National Registration Scheme for nine regulated health professions to facilitate workforce mobility, improve safety and quality, and reduce red tape; and
- a single National Accreditation Scheme for Education and Training to simplify and improve consistency of current arrangements.

The nine health professions concerned are Medicine, Nursing & Midwifery, Chiropractic, Osteopathy, Dental, Psychology, Pharmacy, Physiotherapy and Optometry.

The inclusion of partially regulated professions, such as Occupational Therapy, will be determined during implementation of the National scheme against criteria agreed by a Ministerial Council comprising Commonwealth, State and Territory Health Ministers. Podiatry will be included without further assessment.

To date consultation forums have been held by the COAG Health Working Group for national professional groups in Canberra on 28 September 2006, 4 December 2006 and 13 March 2007, which the Chairperson and Registrar attended.

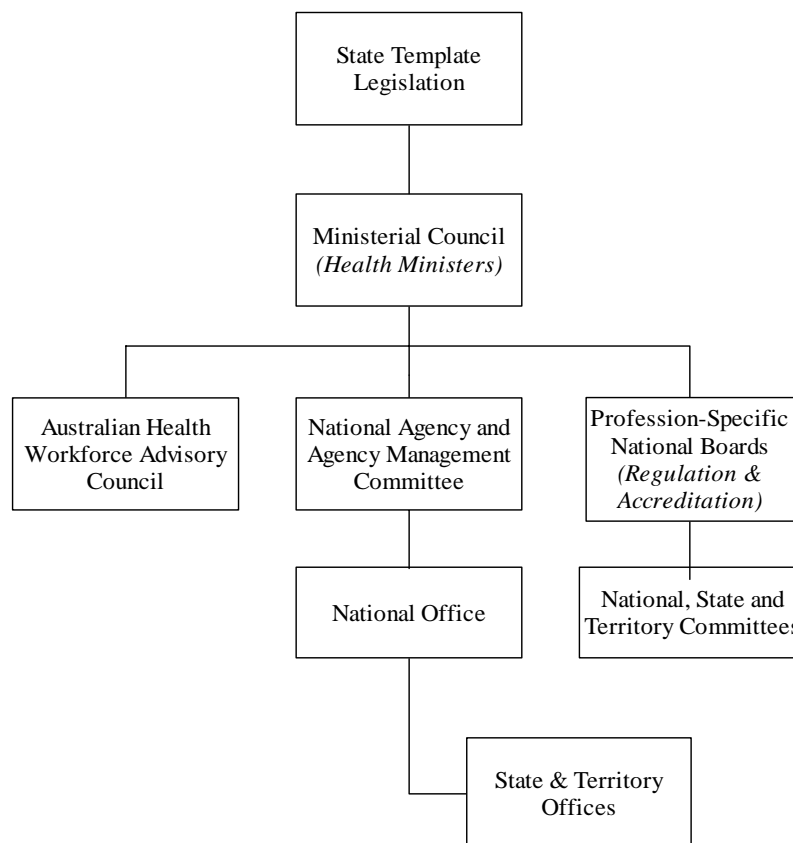
On 13 April 2007 COAG agreed on the arrangements for a new national system for registration and accreditation to be implemented by July 2008. Existing accreditation bodies are to continue to assess courses and international practitioners for the first three years.

In July/August 2007 approval of a national Inter-Governmental Agreement (IGA) is proposed to underpin each scheme. The IGA will set out the objectives, governance and scope as well as legislative, administrative and financial arrangements.

It is proposed that legislation will initially be drafted and proclaimed in Queensland and then templated across the other States and Territories.

The establishment costs will be jointly funded by the Commonwealth, States and Territories and both schemes are to be self-funding.

The proposed structure is:



As a result of this scheme coming into operation the Board will be dissolved and the Act repealed.

The Minister has advised that the Board should continue to meet its statutory obligations under the new legislation and its activities over the next 1-2 years should be considered in that context.

The Board must however take into consideration the resultant effect on its surplus funds and the redundancy of the Registrar and staff who have served the Board loyally for many years.

25 FINANCES

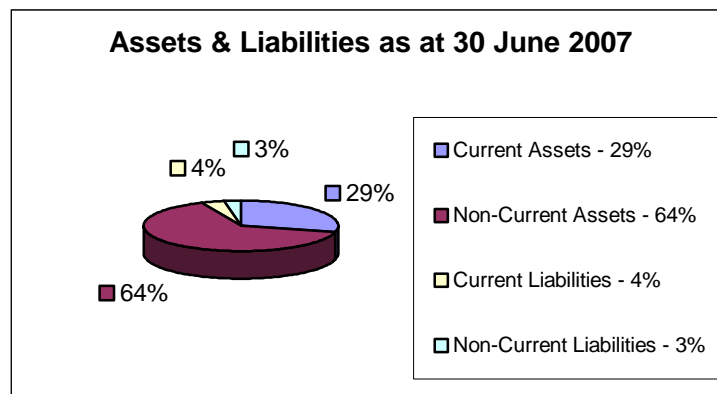
The Board recorded an operating surplus of \$22,945 for the 2006/2007 financial year and as at 30 June 2007 the Board had total equity of \$582,172.

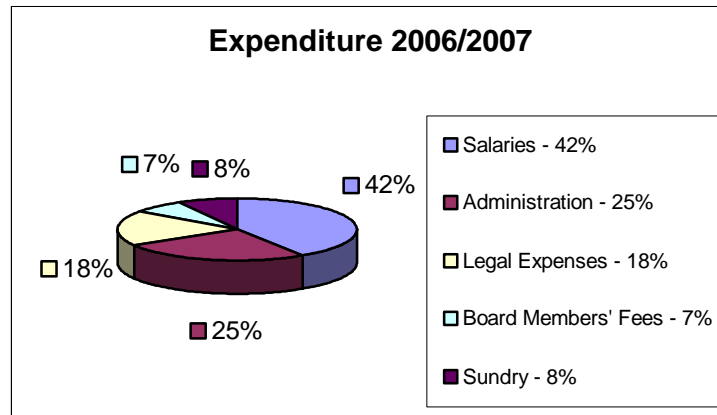
The Board is not considered to be a "controlled entity" for the purposes of inclusion in the whole of Government reporting.

The Board has adopted a Financial Management Plan which provides a framework for:

- (i) the financial management of the Board which is clear, transparent and meets statutory obligations;
- (ii) the management of risk by the systematic identification of opportunities and threats to resources and the development of strategies which maximise opportunities and minimise adverse effects.

The following pie charts show the assets and liabilities of the Board as at 30 June 2007 and the expenditure of the Board during the 2006/2007 financial year.





The accounts of the Board have been audited and the financial statements for the year ended 30 June 2007, together with accompanying notes and the independent audit report of Bentleys MRI Adelaide Pty Ltd, Chartered Accountants and Business Advisors, appears as follows.


CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

CERTIFICATION OF THE FINANCIAL REPORT

We certify that:

- the attached general purpose financial report for the Chiropractic & Osteopathy Board of South Australia presents fairly, in accordance with the Treasurer's instructions promulgated under the provisions of the *Public Finance and Audit Act 1987*, applicable Australian accounting standards and other mandatory professional reporting requirements in Australia, the financial position of the Board as at 30 June 2007, the results of its operations and its cash flows for the year then ended;
- the attached financial statements are in accordance with the accounts and records of the Board and give an accurate indication of the financial transactions of the Board for the year then ended; and
- internal controls over the financial reporting have been effective throughout the reporting period and there are reasonable grounds to believe the Board will be able to pay its debts as and when they become due and payable.


Signed in accordance with a resolution of the Board members



P R DONATO
CHAIRPERSON



P J MARTIN
REGISTRAR/CEO



L M GIROLAMO
FINANCE OFFICER

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

INCOME STATEMENT

FOR YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
INCOME			
Registration Fees	3	195,194	184,610
Rent Received	4	20,160	20,160
Other	5	11,571	10,950
Interest		7,450	5,551
Costs Awarded	6	3,900	-
		<hr/>	<hr/>
Total Income		238,275	221,271
		<hr/>	<hr/>
EXPENSES			
Employee Benefit Expense	7	82,658	63,353
Administrative Expenses	8	62,504	38,867
Legal, Investigative & Inquiry Expenses	9	40,577	28,106
Board Member Remuneration	10	16,344	12,016
Sundry	11	13,122	12,410
Line of Credit interest and charges	12	125	250
		<hr/>	<hr/>
Total Expenses		215,330	155,002
		<hr/>	<hr/>
NET RESULT		22,945	66,269
		<hr/> <hr/>	<hr/> <hr/>

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

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

BALANCE SHEET

AS AT 30 JUNE 2007

	Note	2007 \$	2006 \$
CURRENT ASSETS			
Investments	13	186,247	154,798
Receivables		7,187	3,473
Cash at Bank and on Hand	13	2,363	405
Prepayments		831	4,585
Total Current Assets		196,628	163,261
NON-CURRENT ASSETS			
Property, Furniture & Equipment	14	430,197	439,376
Total Non-Current Assets		430,197	439,376
TOTAL ASSETS		626,825	602,637
CURRENT LIABILITIES			
Payables		14,529	15,222
Employee Benefits - Annual Leave	15	8,174	6,003
Leases	17	3,008	2,674
Total Current Liabilities		25,711	23,899
NON-CURRENT LIABILITIES			
Employee Benefits - Long Service Leave	15	14,957	12,518
Leases	17	3,985	6,993
Total Non-Current Liabilities		18,942	19,511
TOTAL LIABILITIES		44,653	43,410
NET ASSETS		582,172	559,227
EQUITY			
Retained Earnings		371,578	348,633
Asset Revaluation Reserve		210,594	210,594
TOTAL EQUITY		582,172	559,227

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

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

STATEMENT OF CHANGES IN EQUITY

FOR YEAR ENDED 30 JUNE 2007

	ASSET REVALUATION RESERVE \$	RETAINED EARNINGS \$	TOTAL \$
Balance 1 July 2005	210,594	282,364	492,958
Net Result 2005/2006	-	66,269	66,269
	<hr/>	<hr/>	<hr/>
Balance 30 June 2006	210,594	348,633	559,227
Net Result 2006/2007	-	22,945	22,945
	<hr/>	<hr/>	<hr/>
Balance 30 June 2007	210,594	371,578	582,172
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

CASH FLOW STATEMENT

FOR YEAR ENDED 30 JUNE 2007

	Note	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Inflows			
Registration Fees		195,194	184,610
Rent Received		20,160	20,160
GST Received from Taxation Authority		18,517	12,339
Other Income		11,571	10,950
Interest		7,450	5,551
GST Collected on Sales		1,282	1,025
Cash generated from operations		254,174	234,635
Cash Outflows			
Employee Benefit Payments		81,267	58,901
Administrative Expenses		59,332	41,891
Legal, Investigative & Inquiry Expenses		37,746	27,378
GST Paid on Purchases		18,321	12,986
Board Member Remuneration		16,067	12,185
Sundry		1,416	1,484
GST Paid to Taxation Authority		1,292	1,941
Interest on line of credit		125	250
Cash used in operations		215,566	157,016
Net cash provided by Operating Activities	18	38,608	77,619
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Outflows			
Asset Purchases		2,527	6,314
Net cash used in investing activities		2,527	6,314
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash Outflows			
Repayment of Lease Liability		2,674	2,378
Net cash used in financing activities		2,674	2,378
NET INCREASE IN CASH HELD		33,407	68,927
CASH AT 1 JULY		155,203	86,276
CASH AT 30 JUNE	13	188,610	155,203

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

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

NOTE INDEX	
Objectives & Funding of the Board	Note 1
Summary of Significant Accounting Policies	Note 2
Income Notes	
Registration Fees	Note 3
Rent Received	Note 4
Other Income	Note 5
Costs Awarded	Note 6
Expense Notes	
Employee Benefit Expenses	Note 7
Administrative Expenses	Note 8
Legal, Investigative & Inquiry Expenses	Note 9
Remuneration of Board Members	Note 10A
Related Party Transactions	Note 10B
Sundry Expenses	Note 11
Line of Credit Interest & Charges	Note 12
Asset Notes	
Reconciliation of Cash	Note 13
Property, Furniture & Equipment	Note 14A
Movements in Property, Furniture & Equipment	Note 14B
Liabilities Notes	
Employee Benefit - Liabilities	Note 15
Lease Commitments	Note 16
Other Notes	
Contingent Liability	Note 17
Reconciliation of Net Result to Net Cash provided by Operating Activities	Note 18
Administered Items	Note 19

CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

NOTES TO & FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1 OBJECTIVES & FUNDING OF THE BOARD

The Board exercises its functions under the Chiropractic & Osteopathy Practice Act 2005 with a view to achieving and maintaining high standards of competence and conduct by those who provide chiropractic and osteopathy.

The Board's principal source of funds consists of monies paid by registered chiropractors as registration annual practice fees.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The financial report is a general purpose financial report. The accounts have been prepared in accordance with applicable Australian accounting standards and Treasurer's instructions and accounting policy statements promulgated under the provision of the Public Finance and Audit Act 1987.

Statement of Compliance

Australian accounting standards include Australian equivalents to International Financial Reporting Standards. Except for the amendments to AASB 101 Presentation of Financial Statements, which has been early-adopted, Australian accounting standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Board for the reporting period ending 30 June 2007. The Board has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial report of the Board.

The Income Statement, Balance Sheet and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the valuation policy applicable.

The preparation of the financial report requires:

the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, these are outlined in the applicable notes; and

compliance with accounting policy statements issued pursuant to section 41 of the Public Finance and Audit Act 1987, by authority of Treasurer's Instruction 19 Financial Reporting. In the interest of public accountability and transparency the accounting policy statements require the following note disclosures, that have been included in this financial report:

- a) expenses incurred as a result of engaging consultants
- b) employees whose normal remuneration is \$100 000 or more (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or other wise made available, directly or indirectly by the entity to those employees.

The financial report has been prepared based on a twelve month operating cycle and presented in Australian currency.

The Cash Flow Statement has been prepared on a cash basis.

Accounting policies for "Registration Fees", "Property, Furniture & Equipment" and "Employee Benefits - Liabilities" appear under those headings.

Changes to Expense Accounts

Amounts included in the expense accounts for Administrative Expenses, Legal, Investigative and Inquiry Expenses and Board Member Remuneration have altered and notes appear under those headings.

Where presentation or classification of expenses have altered, comparative amounts have also changed.

(b) Administrative Arrangements

The Chiropractic & Osteopathy Board provides administrative services to a number of entities. The Board administers the payment of certain expenses incurred by the entities and recharges the entities, while other expenses are shared between the entities.

Salaries, accommodation outgoings and other administrative costs are shared between the entities according to the following percentages:

	From 1/07/2006	From 1/12/2004
Chiropractic & Osteopathy Board of South Australia	28%	27%
South Australian Psychological Board	46%	46%
Occupational Therapy Board of SA	16%	17%
Podiatry Board of South Australia	10%	10%

(c) Taxation

The Board is exempt from Income Tax.

Good and Services Tax

Income, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred by the Board as a purchaser is not recoverable from the Australian Taxation Office.

Receivables and payables are stated exclusive of GST.

The net GST receivable from the Australian Taxation Office has been recognised as a receivable in the Balance Sheet. The accounting method for GST is on a cash basis.

Registration fees are exempt from GST under section 81-5 of Goods & Services Tax Act 1999.

The Board prepares a Business Activity Statement on behalf of the South Australian Psychological Board, the Occupational Therapy Board of SA and the Podiatry Board of SA under the grouping provisions of the GST legislation.

(d) Income and Expenses

Income and expenses are recognised in the Income Statement when and only when it is probable that the flow of economic benefits to or from the entity can be reliably measured.

Income and expenses have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard.

(e) Financial Instruments

The Board's accounting policies, including the terms and conditions of each class of financial asset and financial liability recognised at 30 June 2007, are as follows:

Financial Assets

Financial assets are recognised when control over future economic benefits is established and the amount of the benefit can be reliably measured.

Cash comprises cash on hand and at the bank and deposits at call. Cash is recorded at nominal amounts. Interest on cash is credited to revenue as it accrues.

Receivables are recognised at the nominal amounts due less provision for bad or doubtful debts.

Credit terms, other than those specified in contractual agreements, are net 14 days.

Financial Liabilities

Financial liabilities are recognised when a present obligation to another party is entered into and the amount of the liability can be measured.

Payables

Payables include creditors, accrued expenses and employment on-costs.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of Board.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employment on-costs include superannuation contributions with respect to outstanding liabilities for salaries and wages, long service leave and annual leave.

The Board makes contributions to several externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at balance date relates to any contributions due but not yet paid to the Superannuation Funds.

(f) Financial Risk Management*Interest Rate Risk*

The Board's only exposure to interest rate risk relates to cash and investments. The variable interest rate on cash deposits is 0.01% p.a. and investments 5.2% p.a. The variable rate of interest on the \$50,000 overdraft facility is 9.42%.

Credit Risk

The Board does not have any significant credit risk exposure to any single debtor.

The carrying amount of financial assets recorded in the Financial Statements, net of provisions for doubtful debts, represent the Board's maximum exposure to credit risk.

Insurance

The Board has arranged, through SA Government Captive Insurance Corporation (SAICORP), to insure all major risk of the Board. The excess payable under this arrangement for each claim is \$1,000.

(g) Investments

Investments comprises of a Portfolio Cash Management account earning interest at 5.2% p.a. calculated daily and paid monthly, funds are available "at call".

(h) Current and Non-Current Classification

Assets and liabilities are characterised as either current or non-current in nature. The Board has a clearly identifiable operating cycle of twelve months. Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

(i) Non-Current Assets Acquisition and Recognition

The Board measures financial assets at historical cost, except for derivatives (measured at market value).

Assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Assets with purchase price less than \$300 are expensed and not capitalised.

NOTE 3 REGISTRATION FEES

As registration fees apply to the registration year, and as no liability arises to refund fees paid in the event of loss or surrender of registration, fees are recognised as income in the year that they are received.

	2007	2006
<u>Chiropractors</u>	\$	\$
Annual Practice Fee	185,200	147,150
Application Fee (Initial Registration)	2,160	10,100
Reinstatement Fee	1,930	3,610
Company Applications and Renewals	(9,896) *	23,750
<u>Osteopaths</u>		
Annual Practice Fee	15,600	-
Application Fee	200	-
	<u>195,194</u>	<u>184,610</u>

Schedule and structure of fees under the new legislation were fixed by the Board effective from Sept 2006. Application fees for initial registration and reinstatement fees reported separately from practice fee. Practice fee scaled on 3 monthly basis according to period of registration. A new register introduced for Osteopaths and fees reported separately. The Annual Practice fee was increased from \$500 to \$600 for the 2007 calendar year.

- * Companies paid to 31 Dec 2007 in 2006 were refunded five months registration fees as under New Act the Board no longer registered companies. The Act was proclaimed on 27 July 2006.

NOTE 4 RENT RECEIVED

Represents 12 months rent received from the South Australian Psychological Board, Occupational Therapy Board of South Australia and the Podiatry Board of South Australia for premises at 16 Norma Street MILE END SA 5031.

NOTE 5 OTHER INCOME

	2007	2006
	\$	\$
Computer & Office Equipment Services	7,800	7,800
COTRB* Facilities fee	3,000	3,000
Miscellaneous	771	150
	<u>11,571</u>	<u>10,950</u>

- * Council of Occupational Therapists Registration Boards (Aust & NZ) Inc.

NOTE 6 COSTS AWARDED

Represents costs awarded to the Board by the Supreme Court when a decision by the Board against a chiropractor found guilty of unprofessional conduct (after the holding of a disciplinary inquiry) was appealed to the Supreme court. The appeal was dismissed and costs awarded to the Board.

NOTE 7 EMPLOYEE BENEFIT EXPENSES

The Chiropractic & Osteopathy Board of SA takes responsibility for the employment of the Registrar and staff, and remuneration is re charged to the South Australian Psychological Board, Occupational Therapy Board of SA and Podiatry Board of SA under an agreed annual cost sharing arrangement.

Refer note 2 - Administrative Arrangements.

	2007	2006
	\$	\$
Salaries and Wages	71,987	57,810
Employment on-costs Superannuation	6,061	4,950
Long Service Leave	2,438	1,664
Annual Leave	2,172	(1,071)
Total employee benefit expense	<u>82,658</u>	<u>63,353</u>

Board Member Remuneration is listed separately refer Note 10.

The number of employees whose total remuneration received or receivable falls within the following band is:

	2007	2006
\$110,000 to \$119,999	1	1

Related Party Disclosure

The Registrar and an employee have entered into an arrangement with the Chiropractic & Osteopathy Board to use its facilities from 1/1/2004 to provide administrative services to COTRB. Under the arrangement COTRB pays the Board for the use of its facilities. The Registrar and employee provide the services to COTRB outside of their full-time duties. COTRB also pay the Registrar for his services.

NOTE 8 ADMINISTRATIVE EXPENSES

	2007	2006
	\$	\$
Conferences	11,422	4,406
Contributions / Membership fees *	7,949	7,583
Computer and Office Equipment Maintenance	5,528	6,307
Accommodation Outgoings	4,611	4,221
Board & Committee Meeting Expenses	3,992 ~	1,541
Printing	3,983	1,113
Election Costs	3,790	-
Register & Database Expenses - Paid to Computer Image P/L	3,635	57
Advertising	3,216	-
Audit Fees ^	2,700	3,800
Telephone	2,604	1,868
Bank fees and charges	2,490	2,054
Insurance - Indemnity	1,905	1,721
Sundries	1,742	2,714
Consultancy Fees - Paid to Mercer Human Resource Consulting	1,200	500
Postage	1,133	693
Stationery	604	289
	<u>62,504</u>	<u>38,867</u>

* Represents amounts paid to the Council on Chiropractic Education Australasia \$7,649 (\$7,238), the Council of Australasian Tribunals National Council \$100 (\$260) and the Council of Australasian Tribunals SA Chapter \$200 (Osteopaths Reg'n Board Vic National Taskforce \$85).

^ Represents Audit fees payable to Bentleys MRI \$2,600 and 2006 fee paid to Auditor-General's Dept \$3,900.

~ Includes travel costs reimbursed to the Education Representative Dr T Crisp to attend Ongoing Competency Meetings.

NOTE 9 LEGAL, INVESTIGATIVE & INQUIRY EXPENSES

	2007	2006
	\$	\$
Legal Services provided by Crown Solicitors Office	20,429	1,781
Investigative Services ^	18,898	15,873
Legal Opinion provided by WJN Wells QC	1,250	-
Inquiry Expenses*	-	10,452
	<u>40,577</u>	<u>28,106</u>

From 1 July 2006 all legal services including legal costs for inquiries are included in Legal services and Board sitting fees are not included in Inquiry Expenses but Board Member remuneration. 2006 comparatives have been altered.

* Includes general costs relating to inquiries i.e. Court reporting fees, expert opinions, witness costs, security costs, meeting expenses & courier costs. Board member remuneration relating to inquiries was \$0 (\$435). Refer Note 10.

^ Investigative Services are provided by either the Crown Solicitors Office or by Quark and Associates.

NOTE 10A REMUNERATION OF BOARD MEMBERS

The Board members for the 2006/2007 year were:

~ A G Burgess Appointed 14 December 2006
 * C R Christie
 ~ P R Donato
 ~ N Forest
 * D R Furniss
 ~ K W Leembruggen
 ~ F Petrone
 * A J Shelley
 ~ P M Sim
 ~ S Svilans
 ~ A L Wheatley
 ~ C F Williamson

* Ceased to be member

~ 9 Members under Act appointed by the Governor effective 27 July 2006 (7 members previously).

The total amount paid or payable to members of the Board:

	2007	2006
	\$	\$
Board Sitting Fees and Committee Meetings	12,269	11,126
Conferences ~	4,075	455
Inquiries *	-	435
	<u>16,344</u>	<u>12,016</u>

Reporting policy amended - all payments included in Board Remuneration expense line are not included in Inquiries and Conferences as in previous years - comparatives changed.

The number of members whose income from the Chiropractic & Osteopathy Board of South Australia falls within the following band was:

	2007	2006
\$1 - \$9,999	10	7

2 Board Members are Government employees and are not remunerated.

NOTE 10B RELATED PARTY TRANSACTIONS

The Board paid membership fees of \$7,649 (\$7,238) to the Council on Chiropractic Education Australasia. (CCEA) (An organisation in which the Board is a member and has nominated P R Donato to represent it.) Conferences includes payment made to P R Donato for attendance at CCEA Meetings from 2002.

NOTE 11 SUNDRY EXPENSES

	2007	2006
	\$	\$
Depreciation Expense	8,914	8,135
Amortisation Expense	2,792	2,792
Interest Finance Leases	1,000	1,296
Asset Purchases under \$300	416	187
	<u>13,122</u>	<u>12,410</u>

NOTE 12 LINE OF CREDIT INTEREST & CHARGES

Interest on a \$50,000 unused overdraft facility charged monthly at rate of 0.25%.

NOTE 13 RECONCILIATION OF CASH

For the purposes of the Cash Flow Statement, cash includes cash on hand and deposits at call with banks. Cash held at 30 June as shown in the Cash Flow Statement is reconciled to the relevant items in the Balance Sheet as follows:

	2007	2006
	\$	\$
Investments	186,247	154,798
Cash at Bank and on hand	<u>2,363</u>	<u>405</u>
	<u>188,610</u>	<u>155,203</u>

NOTE 14A PROPERTY, FURNITURE & EQUIPMENT

Assets are depreciated or amortised over their estimated lives using the straight line method of depreciation. The estimated life of all classes of assets is 5 years, except for building and refurbishment where useful life is 40 years. The land and building will be subject to valuation on a cyclical basis every three years.

	Note	2007	2006
		\$	\$
Land - At Independent Valuation		<u>265,000</u>	<u>265,000</u>
Building & Refurbishment - At Independent Valuation		155,000	155,000
Less Accumulated depreciation on building		<u>7,750</u>	<u>3,875</u>
		<u>147,250</u>	<u>151,125</u>
Computer Hardware - At cost		17,703	16,001
Less Accumulated depreciation		<u>12,073</u>	<u>9,611</u>
		<u>5,630</u>	<u>6,390</u>
Communications Equipment - At cost fully depreciated		-	-
Equipment Under Lease	16	13,960	13,960
Less Accumulated amortisation		<u>7,911</u>	<u>5,119</u>
		<u>6,049</u>	<u>8,841</u>

Office Equipment - At cost	6,490	5,665
Less Accumulated amortisation	<u>5,803</u>	<u>5,665</u>
	687	-
Office Furniture & Fittings - At cost	23,311	23,721
Less Accumulated depreciation	<u>17,730</u>	<u>15,701</u>
	5,581	8,020
Total Property, Furniture & Equipment	<u>430,197</u>	<u>439,376</u>

The revaluation at fair market value of the land, building and refurbishment was undertaken by A K Dreyer B App Sc (Val), AAPI, CREIV, Certified Practising Valuer of Egan National Valuers (SA) in June 2005.

NOTE 14B MOVEMENTS IN PROPERTY, FURNITURE & EQUIPMENT

	Land	Building	Computer Hardware	Leased Equip	Office & Fittings	Office Equipment	Total
Balance at the beginning of the year	265,000	151,125	6,390	8,841	8,020	-	439,376
Additions / Improvements	-	-	1,702	-	-	825	2,527
Depreciation Expense	-	(3,875)	(2,462)	-	(2,439)	(138)	(8,914)
Amortisation Expense	-	-	-	(2,792)	-	-	(2,792)
Carrying amount at end of year	<u>265,000</u>	<u>147,250</u>	<u>5,630</u>	<u>6,049</u>	<u>5,581</u>	<u>687</u>	<u>430,197</u>

NOTE 15 EMPLOYEE BENEFITS - LIABILITIES

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

Sick Leave

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.

Long Service Leave

The liability for long service leave is recognised after an employee has completed 7 years of service.

The liability has been calculated at nominal amounts based on current pay rates using the shorthand estimation of long service leave liability.

	2007	2006
Current Aggregate Employee Benefits	\$	\$
Annual Leave Provision	7,528	5,521
Annual Leave On-costs	<u>646</u>	<u>482</u>
Total Current Aggregate Employee Benefits	<u>8,174</u>	<u>6,003</u>
Non-Current Aggregate Employee Benefits		
Long Service Leave	14,195	12,105
On-costs - non-current	<u>762</u>	<u>413</u>
Total Non-Current Aggregate Employee Benefits	<u>14,957</u>	<u>12,518</u>
Total Aggregate Employee Benefits Liabilities	<u>23,131</u>	<u>18,521</u>

These liabilities reflect the net liability after taking into account the employee entitlement liability of the South Australian Psychological Board, Occupational Therapy Board of South Australia and Podiatry Board of South Australia.

NOTE 16 CONTINGENT LIABILITY

The Council of Australian Governments (COAG) has, in response to the Productivity Commission's Report on Australia's Health Workforce, agreed to establish a single National Registration and Accreditation Scheme to be fully operational by July 2008.

No liability has been recognised as the provision is contingent on employees fulfilling their contractual agreements until their positions are made redundant.

It is estimated that employee redundancy payments of approximately \$137,000 may have to be made when the National Scheme becomes fully operational and prior to the Board being dissolved.

NOTE 17 LEASE COMMITMENTS

Commitments in relation to a finance lease for a photocopier are payable as follows:

	2007	2006
	\$	\$
Not later than one year	3,674	3,674
Later than one year and not later than five years	<u>4,287</u>	<u>7,961</u>
Minimum lease payments	7,961	11,635
Deduct future finance payments	<u>968</u>	<u>1,968</u>
	<u>6,993</u>	<u>9,667</u>
Classified in the Financial Statements as:		
Current	3,008	2,674
Non current	<u>3,985</u>	<u>6,993</u>
	<u>6,993</u>	<u>9,667</u>

NOTE 18 RECONCILIATION OF NET RESULT TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2007	2006
	\$	\$
Net Result	22,945	66,269
Non cash items		
Depreciation	8,914	8,135
Amortisation	2,792	2,792
Changes in Assets and Liabilities		
Decrease (Increase) in Prepayments	3,754	(3,315)
(Decrease) Increase in Payables	(180)	1,699
(Increase) Decrease in Receivables	(3,714)	1,219
Increase in Employee Benefits	<u>4,097</u>	<u>820</u>
Net Cash provided by Operating Activities	<u>38,608</u>	<u>77,619</u>

NOTE 19 ADMINISTERED ITEMS

As part of the Board's administrative responsibilities it pays certain expenses which are shared between the South Australian Psychological Board, Occupational Therapy Board of South Australia and the Podiatry Board of South Australia. These expenses amounted to \$286,230 (\$237,451) and were recovered in full.

These administered transactions do not represent controlled transactions of the Board. As such they are not recognised in the financial statements of the Board.

CHARTERED
ACCOUNTANTS
& BUSINESS
ADVISORS

A MEMBER OF
MOORES ROWLAND
INTERNATIONAL



Bentleys MRI Adelaide Partnership
ABN 99 292 743 838

64 Greenhill Road
Wayville SA 5034

PO Box 903
Unley SA 5061

T +61 8 8373 1266
F +61 8 8373 0228

admin@adel.bentleys.com.au
www.bentleys.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE CHAIRPERSON OF CHIROPRACTIC & OSTEOPATHY BOARD OF SOUTH AUSTRALIA

Report on the Financial Report

We have audited the accompanying financial report of Chiropractic & Osteopathy Board of South Australia, as required by section 31 of the Public Finance and Audit Act 1987. The financial report comprises the balance sheet as at 30 June 2007 and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and a certification of the financial report by the Chairperson, the Registrar and the Finance Officer.

Board's Responsibility for the Financial Report

The board is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Chartered Accountants

A member of Bentleys MRI, an association of independent accounting firms throughout Australia, and a member of Moores Rowland International, an association of independent accounting firms throughout the world. The firms practising as Bentleys MRI and Moores Rowland are independent. The member firms of these associations are affiliated only and not in partnership.



Auditor's Opinion

In our opinion, the financial report of Chiropractic & Osteopathy Board of South Australia presents fairly in accordance with the Treasurer's Instructions promulgated under the provisions of the Public Finance and Audit Act 1987, and Australian Accounting Standards (including the Australian Accounting Interpretations), the financial position of Chiropractic & Osteopathy Board of South Australia as at 30 June 2007, and the results of its operations and cash flows for the financial year then ended.

Bentley MRI

BENTLEYS MRI Adelaide Partnership

A handwritten signature in black ink, appearing to read 'D J Francis', is written over the printed name.

**D J FRANCIS
PARTNER**

Signed at Adelaide this 27th day of September, 2007