



**NEW SOUTH WALES  
PSYCHOLOGISTS  
REGISTRATION BOARD**

**ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2006**

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# NSW HEALTH

## PSYCHOLOGISTS REGISTRATION BOARD

The Hon J Hatzistergos MLC  
Minister for Health  
Level 33  
Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

Dear Mr Hatzistergos

Pursuant to the provisions of the Annual Reports (Statutory Bodies) Act 1984, the Psychologists Registration Board of New South Wales has pleasure in submitting this, the sixteenth Annual Report of the Board, for the period 1 July 2005 to 30 June 2006, for presentation to Parliament.

The Board is pleased to report significant progress during the period under review in the many areas within the scope of its activities. Of particular note is the revised supervision structure for provisionally registered psychologists, including supervisor training, which commenced on 1 January 2006. The Board continues to offer scholarships and grants to enable psychologists to obtain funding to undertake projects in accordance with the objectives of the Psychologists Act 2001.

The Board records its appreciation of the work of the members of its various committees.

The President and Members of the Board are grateful for the contribution made by the Board's staff.

Yours faithfully,



Professor Trevor Waring AM  
President



Mr Kerry Gee  
Deputy President



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**PSYCHOLOGISTS REGISTRATION BOARD  
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**1. CHARTER**

The New South Wales Psychologists Registration Board is constituted under the Psychologists Act 2001 to exercise the powers, authorities, duties, and functions imposed on it by the Act.

**2. AIMS AND OBJECTIVES**

The aims and objectives of the Board are to:

- protect the health and safety of the public by providing mechanisms to ensure that psychologists are fit to practise;
- maintain a high standard of psychological practice within a registration system, by ensuring that practitioners meet minimum competence and practice standards; and
- contribute to the aim of NSW Health to provide a sustainable health system for the people of NSW.

Within these aims and objectives its role is to:

- grant, suspend or cancel registration, annul such suspension or cancellation and apply practice conditions as appropriate;
- recommend the courses of study and training to be undertaken as acceptable qualifications for registration;
- maintain a code of professional conduct and relevant guidelines, to ensure observance of ethical best practice in respect of the public and the profession;
- undertake inquiries into professional conduct, psychological care, practitioner impairment and other complaints and reportable issues, by way of Board inquiries, Psychological Care Assessment Committees, Impaired Registrant Panels and other resolution procedures;
- achieve compliance with the legislation; and
- advise the Minister for Health on matters relating to registration, standards of practice and other matters arising under the Act or Regulations.

**3. ACCESS TO THE BOARD**

The Psychologists Registration Board can be contacted through its Registrar by mail, telephone or facsimile. Its office is located on:

Level 6  
477 Pitt Street  
SYDNEY NSW 2000

Correspondence should be addressed to:

PO Box K599  
HAYMARKET NSW 1238

Telephone:	(02) 9219 0211	Hours of Business	8.30 am – 4.30 pm
Facsimile:	(02) 9211 9318	Counter Service	Monday to Friday
E-mail:	psychreg@hprb.health.nsw.gov.au		
Website:	www.psychreg.health.nsw.gov.au		

## 4. MANAGEMENT AND STRUCTURE

### 4.1 MEMBERSHIP

Membership of the Board for the period 1 July 2005 to 30 June 2006, is prescribed pursuant to Section 87 of the Psychologists Act 2001 and consists of 9 members of whom:

A. 8 are nominated by the Minister, being:

1. an officer of the Department of Health or an employee of an area health service, statutory health corporation or affiliated health organisation within the meaning of the Health Services Act 1997:

**Mr Kerrod Gee, Deputy President**

2. 3 registered psychologists nominated by the Australian Psychological Society:

**Associate Professor William Warren**  
**Associate Professor Brin Grenyer**  
**Ms Wendy McCartney**

3. a registered psychologist, being the member of the teaching staff of an educational institution that offers undergraduate educational courses in psychology:

**Dr Caroline Hunt**

4. 2 persons to represent community interests:

**Mrs Irene Hancock**  
**Vacant Position**

5. a legal practitioner:

**Mr Geoffrey Graham**

B. A registered psychologist practising in NSW of the Minister's own choosing:

**Professor Trevor Waring, President**

The term of the Board is 4 years expiring on 17 November 2006.

### 4.2 Registrar/Assistant Registrars

Ms Mary Shanahan was the Registrar throughout the reporting period. She has been assisted by Melanie Faithfull, Carolyn Broadhead, Krystyna Topor, Fay Murdoch, Mary Casey, June Garcia and Karen Lyle.

### 4.3 Attendance at Board Meetings

The Board met on the first Tuesday of each month on the 12 occasions during the reporting period. Although the Board did not meeting in January the Board met on 2 occasions in February 2006.

Name	Attendance
Professor Trevor Waring	12
Mr Kerrod Gee	10
Associate Professor William Warren	10
Associate Professor Brin Grenyer	11
Ms Wendy McCartney	11
Dr Caroline Hunt	9
Mr Geoffrey Graham	8
Mrs Irene Hancock	11
One vacant position	

#### 4.4 **Committee Structure**

##### 4.4.1 **Registration Approvals Committee**

The Registration Approvals Committee comprises Professor Trevor Waring, Mr Kerrod Gee, Associate Professor Brin Grenyer and Ms Wendy McCartney and is assisted by Associate Professor William Warren. This Committee is responsible for the individual assessment of all applications for provisional and full registration, applications for approval of additional qualifications, applications for re-registration and changes to supervision plans, supervisors, employment etc for provisionally registered psychologists. This is an onerous task undertaken every month and taking many hours of the Committee members' time.

##### 4.4.2 **Conduct Committee**

The Conduct Committee, chaired by Professor Trevor Waring and assisted by Mr Kerrod Gee, Associate Professor William Warren, Associate Professor Brin Grenyer, Mrs Irene Hancock and Ms Wendy McCartney reviews complaints referred to the Board. Meetings conducted by this Committee are attended by a senior officer from the Health Care Complaints Commission (HCCC).

This Committee deals with a diverse range of complaints concerning professional conduct, competence, impairment, character, criminal history and related matters, as they impact on the professional conduct of registered psychologists and the provision of psychology services.

##### 4.4.3 **Education and Research Awarding Committee**

The Psychologists Act 2001 allows for the establishment of a Psychological Education and Research Account. Applications for grants and scholarships are considered by this Committee and recommendations for funding are provided to the Board for endorsement.

The Committee comprises 4 members, a nominee of the NSW Health, 2 Board members Associate Professor Brin Grenyer (Chair) and Mrs Irene Hancock and a Psychology Academic.

## 5. **SUMMARY REVIEW OF OPERATIONS**

### 5.1 **Registration Fees**

There were no fee increases during the reporting period.

The Board's registration fees are as follows:

	\$
Registration (full and provisional)	100.00
Mutual recognition	100.00
Extension of provisional registration	40.00
Re-Registration	Various fees apply*
Annual Renewals	80.00
Duplicate certificate	20.00
Inspections of the Register	20.00
Additional Qualifications entry	20.00
Evidentiary Certificates	6.00
Extracts from the Register	20.00

\*Re-registration fees are dependent on whether an applicant seeks retrospective registration.

## 5.2 Registration

The figures below show the numbers of applications or notifications processed during the reporting period:

Applications for Full Registration	509
Applications for Provisional Registration	444
Applications for Registration - Mutual Recognition	118
Applications for Temporary Registration	1
Deletions due to non-payment of registration fees	388
Re-Registration	212
Deceased	13
Name removed from Register at own request	19

Total number of Registrants as at 30 June 2006:

Provisionally Registered Psychologists	1336
Fully Registered Psychologists	7715
Fully Registered Psychologists (Temporary Registration)	1
Total Registrants	9052

The Board has processed 117 applications for registration under "mutual recognition" legislation, being Mutual Recognition Act 1992 and Trans-Tasman Mutual Recognition Act 1997, comprising full and provisional applications as follows:

	Full	Provisional	Total
Queensland	25	13	38
Victoria	22	2	24
Tasmania	2	1	3
South Australia	8	1	9
Northern Territory	2	0	2
Western Australia	6	1	7
Australian Capital Territory	16	8	24
New Zealand	10	0	10
Total	91	26	117

## 5.3 Provisional Registration

A total of 444 applications for provisional registration were approved during the reporting period. The total number of provisional registrants as at 30 June 2006 is 1071

#### 5.4 Overseas Applications

All overseas qualifications are considered individually and applicants are urged to contact the Australian Psychological Society regarding the equivalence of qualifications from overseas.

#### 5.5 Distribution of Qualifications from Overseas Applicants

The Board approved 91 applications for registration from persons with overseas qualifications. Countries of origin are shown below:

COUNTRY	TOTAL
Argentina	2
Bangladesh	1
Brazil	1
Canada	3
Germany	3
India	6
Iran	3
Mexico	1
Netherlands	1
New Zealand	6
Philippines	1
Singapore	1
South Africa	15
Spain	1
Ukraine	1
United Kingdom	32
United States of America	11
Uruguay	1
Zimbabwe	1
Total	91

#### 5.6 Appeals Concerning Registration

The Board may:

- refuse to grant full registration or temporary registration;
- refuse to register a person who otherwise would be entitled to full registration where there are issues of impairment, where the applicant is the subject of a criminal finding;
- where full registration is refused, grant registration subject to conditions;
- refuse to re-register an applicant; or
- cancel provisional or temporary registration.

There were no appeals concerning registration during the current reporting period.

## 5.7 Compliance

The Board achieves compliance with the Act and Regulations through:

- random inspections throughout NSW by its authorised Inspector, checking compliance, disseminating information and issuing both warning and factual correspondence. The Board has appointed an Inspector with a diverse range of investigative and other powers.
- prosecution of persons operating in contravention of the Act
- the resolution of complaints concerning the professional conduct and provision of psychology services by registered psychologists, publication of information pamphlets and the posting of information and legislation links on its website.

### 5.7.1 Complaints

During the past 12 months the Board has received 88 new complaints.

In addition to these new complaints, the Board continued consideration of 10 complaints carried across from the 2004-2005 reporting period. Following consideration of these 10 complaints:

- 6 resulted in no further action being taken,
- 1 matter was referred to the Psychological Care Assessment Committee and subsequently dismissed
- 1 matter resulted in assisted resolution and
- 2 matters remain under consideration by the Board and will be carried into the next reporting period.

In relation to the 90 new complaints received for the period 1 July 2005 until 30 June 2006, a total of 78 complaints were made against registered psychologists and 12 complaints against persons not registered with the Board (involving allegations of persons representing themselves as psychologists, this being in contravention of the Act).

Of these 78 complaints received against registered psychologists

- 1 was referred to a formal Board Inquiry;
- 14 complaints were forwarded to the Health Care Complaints Commission for investigation with one matter subsequently dismissed;
- 4 were referred to the Psychological Care Assessment Committee;
- 2 matters were referred to the Impaired Registrants Panel;
- 3 matters were dealt with by directing the psychologist to attend counselling;
- 39 required no further action following investigation by the Board;
- 14 complaints in June 2006 await assessment and consultation with the Health Care Complaints Commission;
- 1 matter is ongoing from 2004-2005 period.

Complaints considered by the Conduct Committee concerned alleged breaches of the Code of Conduct which included complaints such as allegations of sexual relationships with clients, inappropriate sexual behaviour, breaches of confidentiality, case management issues, questionable quality of psychological reports, insensitivity, rudeness and unsatisfactory professional conduct in general.

## 5.7.2 Psychologists Tribunal

The Psychologists Tribunal deals with serious complaints that may lead to suspension or deregistration, appeals against Board decisions regarding disciplinary matters, registration and restoration matters.

It is Board policy to publicise the names of psychologists only where the name of the psychologist is removed from the Register following disciplinary proceedings. A list of psychologists whose names have been removed from the Register of Psychologists is available on the Board's website. These names are provided in accordance with the suppression orders of the Tribunal. The Board considers that this action is consistent with its role to protect the public.

For the period 1 July 2005 until the end of the reporting period, the Tribunal dealt with 2 matters which were carried over from the previous reporting period in addition to 1 new matter. The Tribunal handed down the following decisions:

*Matter No 1 – concerned Mr Alexander Frederick (aka Itzik) Mueller.* The Tribunal heard evidence in June 2005 and handed down its decision in September 2005.

Mr Mueller was employed as a residential care worker at a group home. The principal responsibilities of his role were to assist people with disabilities to develop and retain their skill and maximize their independence. Mr Mueller engaged in an inappropriate intimate and sexual relationship with a client of the group home and was later convicted of aggravated indecent assault.

The Tribunal found that Mr Mueller abused his position of trust and duty of care to his client and the circumstances of the offences rendered the psychologist unfit in the public interest to practice psychology. The Tribunal ordered that his name be removed from the Register and that an application for re-registration is not to be made for a period of four and a half years.

*Matter No 2 –*The Tribunal heard evidence in April and May 2005 and handed down its decision in September 2005.

The complaint concerned a psychologist who engaged in inappropriate personal contact with a client.

The Tribunal found there was sufficient evidence to support the admission of the psychologist that conduct amounted to unsatisfactory professional conduct. The Tribunal was satisfied that the conduct made out was of such a serious nature that a finding of professional misconduct was made.

The Tribunal considered what orders were appropriate in the circumstances and decided that the matter was one in which appropriate conditions on the psychologist's practice would allow the public safety to be protected and the reputation of the profession to remain intact. The Tribunal ordered the psychologist to undertake professional training in ethics, formal supervision of practice and attend counselling.

*Matter No 3* – The Psychologists Tribunal heard evidence and handed down its decision in October 2005.

The complaint to the Tribunal involved a psychologist having discussions about forming a financial relationship and/or commencing and maintaining a financial relationship with a client at the time or soon after the terminating a therapeutic relationship.

The Tribunal considered that the removal of the name of the psychologist was not required in order for the safety of the public to be protected. The Tribunal set out a number of conditions on the psychologist's practice including the completion of a professional ethics course and the requirement for the psychologist to undertake formal supervision of practice for a minimum period of 12 months.

### 5.7.3 **Psychological Care Assessment Committee**

The Psychological Care Assessment Committee deals with less serious complaints made by consumers of psychological services through conciliation and consensual agreement between the complainant and the subject psychologist. Over the past year, the Committee investigated a range of complaints which included issues of competence, psychological care, boundary issues, psychological reports and fees. The Committee may require a psychologist to undergo a skills assessment.

During the reporting period 4 new complaints were referred to the Committee for their consideration.

Of these 4 new matters referred 1 matter has been finalised with the Board accepting the recommendations of the Committee to take no further action in relation to the complaint. 3 matters are under current consideration of the Committee with reports and recommendations to the Board due early in next reporting period.

In addition to these 4 new complaints, the Committee dealt with 4 matters carried over from the last reporting period 2004-2005.

- 1 matter was subsequently dismissed
- 1 matter resulted in a refund of fees to a client
- 2 matters are ongoing, one of which is awaiting publication of the Coroner's findings.

During the reporting period, a psychologist was requested to undertake a skills assessment by the Committee.

### 5.7.4 **Board Inquiries**

Board inquiries deal with disciplinary proceedings and utilise legislated powers to caution/reprimand, impose practice/ reporting conditions, order the withholding or refund of payment for psychological services and order the attendance of educational courses or the obtaining of practice management advice.

During the reporting period 2 Board Inquiries were held.

In relation to the first matter, the Board found the psychologist guilty of unsatisfactory professional conduct within the meaning of section 25 of the Act, in that he has engaged in conduct which demonstrated a lack of

judgement in the practice of psychology. The Board found that the psychologist did not follow established guidelines for therapeutic interventions and cautioned the psychologist for the lack of judgement displayed in this matter and imposed conditions on the psychologist's practice including the requirement to obtain informed consent.

The second matter dealt with by the Board resulted in the issue of a caution to the psychologist. The Board found the psychologist guilty of unsatisfactory professional conduct within the meaning of section 25 of the Acts in that the psychologist engaged in conduct that demonstrates a lack of care in the practice of psychology, essentially care in relation to record keeping and security of private information.

#### **5.7.5 Impaired Registrants Panel**

Impaired Registrants Panel assists psychologists with complainant and self-reported impairment problems, to be managed in the registration system in a non-disciplinary way, through registration conditions and impairment management solutions.

During the reporting period 2 new matters were referred to the Panel.

#### **5.7.6 Prosecutions**

A matter which was referred for prosecution during the 2004-2005 reporting period concluded in the District Court in August 2005. The complaint involved an unqualified and unregistered person using a title of "psychological counsellor" which may lead a person to understand they are a psychologist or hold the qualifications of a psychologist.

The Magistrate took into account the steps taken by the defendant to remedy the situation and dismissed the offences pursuant to s.10 Crimes (Sentencing Procedure) Act 1999. Whilst the charges were dismissed, all of the costs sought by the prosecutor were granted.

#### **5.7.7 Appeals and Reviews**

No appeals concerning registration were lodged with the Registrar during the reporting period.

The Board received 3 requests from complainants to review the decisions of the Conduct Committee in relation to their complaint. In each case, the Board upheld the decision of the Committee.

### **5.8 Registration Listings**

The following listings were compiled for the purpose of supporting the Board's operation:

#### **5.8.1 List of Supervisors**

The Board is constantly updating its list of psychologists approved as supervisors for provisionally registered psychologists. Board staff regularly assist trainees in locating a suitable supervisor by accessing this listing.

### **5.8.2 Listing of Psychologists who speak a Community Language**

The Psychologists Act 2001 permits the Board to record in its computerised Register, such particulars as the Board considers appropriate, subject to the Regulations.

The Board acknowledges the need to determine whether psychologists speak a non-English language at a clinical level and record those particulars in its Register. It has therefore continued this practice in the reporting period.

Such records create better access to the health system for ethnic groups and information is available from the Board.

## **5.9 Promotion of the Board's Activities**

### **5.9.1 Joint Activities**

The Board's usual practice each year is to meet with the Heads of Departments/Schools of Psychology and Senior Public Sector and Area Health Psychologists to facilitate information sharing on topics of interest to all parties. The Board held its annual meeting in July 2005 with a keen interest shown in the new supervision structure for intern psychologists and the requirement for supervisor training.

### **5.9.2 Public Contact**

The Board frequently responds to the following requests from the public:

- Verification of registration from both the public and health funds
- Inquiries regarding location of psychologists
- Listings of psychologists who speak a community language
- Registration procedures and eligibility requirements
- Inquiries about lodging complaints.

### **5.9.3 Professional Contact**

The Board has continued to distribute newsletters to all registered psychologists, including those who are conditionally/provisionally registered. Newsletters are also posted on the Board's website.

The Board holds an annual meeting with psychologists in a rural area to discuss matters of interest to the profession. This year, the annual meeting was held in Wagga Wagga in August 2005. Psychologists from the local area welcomed the opportunity to meet with Board members to discuss issues that affect psychologists based in rural and remote areas.

The Board also negotiated the Australian Psychological Society to provide all registrants in New South Wales with a copy of the Society's Code of Ethics and sample Ethical Guidelines. The Board endorsed the distribution of booklets in order to provide additional guidance on appropriate professional conduct and practice. The Australian Psychological Society also provided an opportunity for registered psychologist to access the 'members only' section of the Society's website for a two week period.

#### 5.9.4 **Publications**

The Board made available the following documents in the reporting period:

Registration Information Kit (January 2004)  
Registration Guidelines January 2006  
Supervision Guidelines (2004/2005)  
Supervision Guidelines (January 2006)  
Supporting Documentation to accompany Guidelines including interim arrangements for Interns and Supervisors (January 2006)  
Registration and Supervision Forms (January 2006)  
List of APAC Approved Psychology Programs  
Complaints Handling Procedures of the Board (November 2004)  
Code of Professional Conduct (November 2004)  
Psychologists and Sexual Behaviour in Professional Relationships  
Education and Research Grant and Scholarship Guidelines and Application forms

#### 5.9.5 **Council of Psychologists Registration Boards**

The Council of Psychologists Registration Boards of Australasia (CPRB), comprising nine state and territory Registration Authorities in Australia and New Zealand, has unanimously adopted the policy that the minimum requirement for registration as a psychologist should be completion of an accredited professional degree in psychology with a minimum of 2 years (full time equivalent) post graduate training. It has also been proposed that the changes will require a phased introduction with an aim to complete the process by 2010.

Since the adoption of this policy by CPRB, each individual State and Territory registration authority has written to their respective Ministers regarding the proposed changes.

The Board awaits further details on this issue.

#### 5.9.6 **Australian Psychology Accreditation Council**

The function of the Australian Psychology Accreditation Council (APAC) is to accredit programs of education and training in psychology in Australia on behalf of the State and Territory Registration Boards for the purpose of registration as a psychologist and for membership of Australian Psychological Society.

The Board refers to the APAC List of Accredited Programs when assessing applications for registration.

#### 5.10 **Implementation of a Revised Supervision Structure**

Work on the development of a revised supervision model has been ongoing since July 2005 with the introduction of new supervision structure commencing on 1 January 2006. A major change to the supervision structure has been the introduction of training for supervisors of provisionally registered psychologists and the selection of authorised trainers to deliver the supervisor training workshops.

In July 2005 the Board awarded funding to Access Macquarie Limited to develop a training manual which is to be delivered by Board authorised trainers in the training workshops. The Board acknowledges the contribution by Access Macquarie in

developing the training package and finalising the supervision guidelines for commencement in January 2006.

Training places were offered to 24 psychologists to attend a Train the Trainer course held in March 2006. Supervisor training workshops are now currently being offered in rural and metropolitan areas across New South Wales.

The costs associated with the engagement of supervisor trainers and the costs of holding the supervisor training workshops are being met by funds from the Education and Research Account.

#### **5.11 Education and Research Grants and Scholarships**

Under section 126 of the Psychologists Act 2001 a Psychological Education and Research Account has been established. This Account is administered by the Education and Research Awarding Committee who oversee Board funded research activity relating to the psychological practice, psychological education and the awarding of scholarship funding. Ongoing research and education is one mechanism through which psychologists maintain fitness to practise.

During the reporting period, the Board approved funding for 7 scholarships and 4 grant applications. Scholarship funding was approved for successful applicants to attend both international and national conferences.

Grant funding was awarded to:

- (i) Access Macquarie Limited for the development a training manual for use by Board authorised trainers in training supervisors of intern psychologists. This project was completed during the reporting period.
- (ii) Mr William Campos in conjunction with HelpLines Australia, to determine the skill level and professional support required in the provision of professional support to the public using only the telephone and/or electronic media.
- (iii) Dr Tony Florio, to establish an internet site for psychologists to use in relation to psychological assessment.
- (iv) A further applicant was unable to accept the offer of a grant due to a change in work circumstances.

Two projects funded in 2003-2004 financial year, *The Development of a Training Package for Supervisors on Ethics* by the Australian Psychological Society, National Office and a project entitled *What is a Registered Psychologist* by the Australian Psychological Society, State Committee, were completed during the current reporting period.

The Board encourages applications which fall within the priority areas for funding as advertised in the guidelines available on the Board's internet site.

#### **5.12 Overseas Travel**

The President and Registrar travelled to Wellington, New Zealand, to attend a meeting of the Council of Psychologists Registration Board from 6 to 8 October 2005. Professor Waring President of the NSW Psychologists Registration Board also holds the position of Chair of the Council.

#### **5.13 External Consultants**

The Board did not engage an external consultant during the reporting period.

## 5.14 Freedom of Information

The Board received one request for documents under Freedom of Information in the current reporting period as compared with no requests in the previous period. The subject of a complaint requested documents in relation to the complaint which was lodged against them. Documents held by the Board were provided to the FOI Co-ordinator NSW Health for release under Freedom of Information legislation with no significant impact on the Board's resources.

## 6. ADMINISTRATION

### 6.1 Management and Structure

The Health Administration Corporation manages the accounts and employs the staff required to administer the Health Professionals Registration Boards (HPRB) created by the following legislation:

- Chiropractors Act 2001
- Dental Technicians Registration Act 1975
- Nurses and Midwives Act 1991
- Optical Dispensers Act 1963
- Optometrists Act 2002
- Osteopaths Act 2001
- Physiotherapists Act 2001
- Podiatrists Act 2003
- Psychologists Act 2001

Under the provisions of their respective Acts, the Boards are established as the statutory bodies to deal with professional issues in New South Wales. The principle functions of the Boards include the determination of professional standards, qualifications and experience required for registration and the maintenance of professional and ethical standards through the administration of disciplinary provisions.

The Boards are self-funding with salaries and associated on-costs paid by the Health Administration Corporation. From 17 March 2006, the staff of the HPRB were transferred to the Government Service and are listed in Chapter 1A of the Public Sector Management Act 2002.

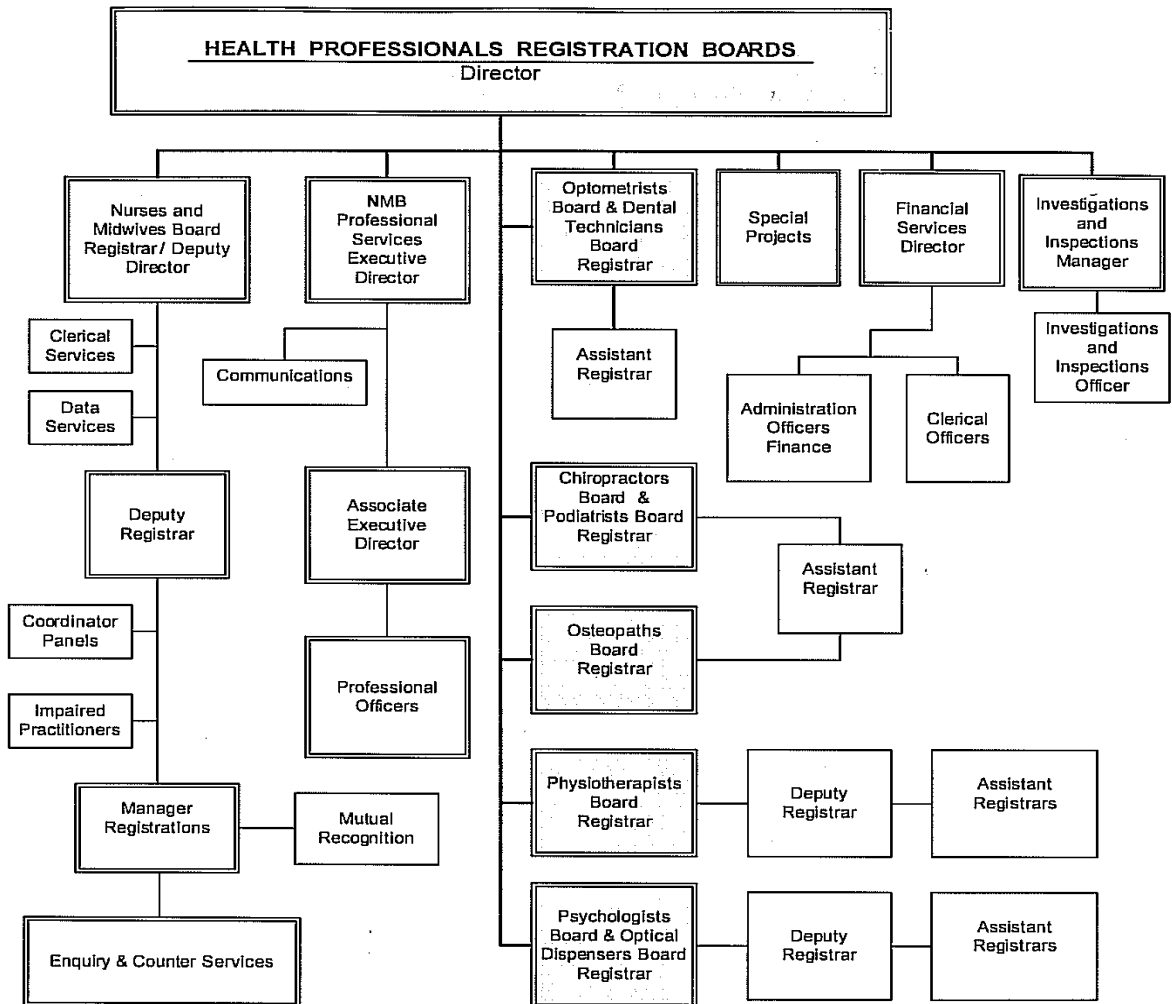
In accordance with legislation, the Health Administration Corporation paid the Boards' accounts from fees received and transmitted to the Corporation. Future expenditure for disciplinary costs, litigation and, where required, the election of Board members, has been taken into account within the Boards' accumulated funds.

The total administrative expenditure for all of the Boards during 2005/2006 was \$8,675,704. In the previous year 2004/2005 the total cost was \$7,443,721.

Staff of the Health Professionals Registration Boards filled the equivalent of 57 full-time positions. For the previous 2 years, staff establishment levels were equivalent to 55 and 53 full-time positions respectively.

As employees of the Corporation, HPRB staff operate within and benefit from the personnel policies of the Department of Health, including occupational practices. The Boards are managed for the Corporation by Mr J Tzannes, Director, and Mr R Dwyer, Deputy Director.

6.2 Administrative Organisational Chart



### 6.3 Code of Conduct

Employees of the Boards comply with the Department of Health Code of Conduct, which provides direction in relation to standards of conduct and prevention of corruption, maladministration and waste. The Code, which was reviewed and re-issued in October 2005, is accessible to all HPRB employees via the Department of Health website ([www.health.nsw.gov.au](http://www.health.nsw.gov.au)).

#### Staff Training

In keeping with the principles relating to professional standards that are set out in the Code of Conduct, the HPRB provided staff with the opportunity to enhance their skills, knowledge and competence through training courses. During the year, a total of 31 employees attended training at 28 different courses. In summary, approximately 62% of HPRB staff received additional training at a cost of approximately \$284 per staff member.

### 6.4 Ethnic Affairs Priorities Statement (EAPS)

The nine boards administered by the Health Professionals Registration Boards (HPRB), on behalf of the Health Administration Corporation, implement the principles of multiculturalism through two key ethnic affairs strategies and a number of initiatives. Under the provisions of the legislation that established the Boards, the primary responsibility of the boards is protection of the safety of the NSW public by granting registration to appropriately experienced and qualified persons of good standing. Thus, the key strategies for the Boards are:

1. To promote the recognition and registration of overseas trained health professionals as provided for in the legislation, and
2. To assist overseas trained applicants with the Board's registration and documentation requirements through the provision of information, interpreters and translation services, as appropriate.

The Boards jointly maintain initiatives developed to assist people from both culturally and linguistically diverse backgrounds, who make contact with the Board. These initiatives include:

1. Promoting the recognition and registration of overseas trained health professionals,
2. Assisting overseas trained applicants to register in NSW,
3. Maintaining a range of bilingual health professionals/ staff employed by the HPRB,
4. Ensuring ethnic media is used for community information circulated by the Board,
5. Ensuring that the Board receives advice on matters within its jurisdiction relating to people of culturally diverse backgrounds,
6. Promoting a culturally diverse workforce,
7. Ensuring that the Board is aware of the Government's commitment to implementing the principles of multiculturalism.

During the year these key strategies and initiatives have continued to assist the Board's multicultural clients to access the services provided by it. The ongoing relevance and appropriateness of the strategies and supporting initiatives are considered as legislative and policy changes affecting the Board's operations occur.

## **Overseas Training - Recognition of Qualifications**

Registration may be granted to a person of good character who has successfully completed a course of at least four years full time study (or equivalent part time) specialising in psychology and provided by a tertiary institution recognised by the Board and has two years practical experience in psychology satisfactory to the Board.

The Board assesses overseas qualifications on an individual basis. Overseas applicants are required to provide transcripts of their degrees as well as evidence of the nature and duration of the practical/supervised experience to enable an assessment to be completed. Where the Board is unable to determine the equivalence of a person's overseas psychological qualifications to the Australian equivalent, an applicant may be referred to the Australian Psychological Society for assessment.

The Board may also grant provisional registration to applicants who do not have the required two years practical experience.

The Board continues to be involved in the national competency based assessment system in consultation with the other Australian and New Zealand registration bodies, and relevant stakeholders. In addition, under the provisions of the Mutual Recognition (NSW) Act 1992 and the Trans Tasman Mutual Recognition (NSW) Act 1996, overseas trained health professionals with current registration in another Australian state or territory or in New Zealand are able to apply for registration in NSW based on their registration status and good standing.

## **Interpreter and Translation Services**

During the year Board clients, who made contact either by telephone, mail, electronic media or in person, were able to access professional interpreters and translation services as required. In addition, HPRB staff members were available to provide assistance in the following languages:

Arabic	Polish
Bangladeshi	Romanian
Filipino (Tagalog)	Russian
French	Spanish
German	Turkish
Greek	Ukrainian

## **Languages**

The Board maintains statistical data from its annual registration renewal surveys on the languages and number of registrants per language spoken by its registrants. The following table records a total of 1015 registrants speak a language other than English.

	1	51	1	49	3	5	1	1	1	1	61	7	26	1	9	6	1	15	1	2	7	2	6	83
AFRICAN	AFRICAN other lang	AFRIKAANS	ARABIC	ARMENIAN	ASSYRIAN	BAHASA	BEVGALI	BOSNIAN	BULGARIAN	CANTONESE	CHINESE	CREOLE	CROATIAN	CZECH	DAMSH	DARI	DUTCH	EGYPTIAN	ESTONIAN	FARSI	FLIPINO	FINNISH	FRENCH	

	86	61	2	1	1	17	27	1	4	13	10	1	2	2	64	6	1	3	1	3	2	6	17	11
GERMAN	GREEK	GUJARATI	HAWAIIAN	HAKKA	HEBREW	HINDI	HINDUSTANI	HOKKIEN	HUNGARIAN	LOCANO	INDONESIAN	IRANIAN	IRISH	ITALIAN	JAPANESE	KASHMIRI	KOREAN	LAOTIAN	LATVIAN	LEBANESE	LITHUANIAN	MACEDONIAN	MALAY	

	1	11	37	3	1	1	1	2	9	1	1	28	18	8	5	34	17	7	3	4	4	1	73	7
MALAYALAM	MALTESE	MANDARIN	MARATHI	NDEBELE	NED MELANESIAN	NORWEGIAN	PAKISTANI	PERSIAN	PHILIPPINO	PIDGIN	POLISH	PORTUGUESE	PUNJABI	ROMANIAN	RUSSIAN	SERBIAN	SERBO CROATIAN	SIGN	SLOVAK	SLOVENIAN	SOMALI	SPANISH	SWEDISH	

	1	1	1	7	1	9	1	1	10	7	3	6	1	1	6	2								1015
SAMOAN	SHONA	SRI LANKAN	TAGALOG	TAIWANESE	TAMIL	TELEGU	THAI	TURKISH	UKRAINIAN	URDU HINDUSTANI	VIETNAMESE	WELSH	XHOSA	YUGOSLAV	ZULU									

## 6.5 NSW Government Action Plan For Women

Through its Action Plan for Women, the NSW Government has sought to ensure that the principles of equality of access and rights of participation for women are central to the core business of all government agencies. The key objectives of the Action Plan are to eliminate violence against women, to improve the health and quality of life of women and to provide a responsive environment that enables women to participate fully in the economic, social and educational life of society.

One of the ways in which the Government has sought to advance the involvement of women is through its initiative of progressively increasing the number of women members on statutory boards and bodies to 50% board representation. In relation to the HPRB, nominations to boards are made by the Minister and nominating bodies or other mechanisms stipulated by the relevant legislation. Where vacancies occur or when membership

nominations are requested for a new board, nominating bodies are advised of the Government's policy regarding female representation. As at 30 June 2006, one vacancy exists on the Board, of the remaining the 8 members, the Psychologists Registration Board has 3 female members.

With regard to access to the profession for women, the Board and HPRB are not responsible for influencing the participation levels of women. However, the Board's registration records provide an indication of the number of female registrants at the end of the financial year. At the time of reporting, the register records a total of 6759 female registrants, being 74.5% of the total registrants, as compared to 6096 female registrants representing 70.5% for the previous year. It should be noted that these figures vary during the course of the year as the status of registrants alters within the renewal periods.

## 6.6 **Waste Reduction and Purchasing Policy**

The Waste Reduction and Purchasing Policy (WRAPP) introduced by the NSW Government requires all government agencies to implement plans to reduce waste and increase the purchase of recycled content materials. Agencies must also provide advice in their Annual Reports on the progress and achievements of these WRAPP plans.

With regard to its WRAPP plan activities, during the year the HPRB maintained the strategies that were developed to achieve improvements in waste reduction, volumes for recycling of paper products, consumables and office equipment and an increased ratio of consumables containing recycled content.

The following waste avoidance strategies continued to operate during 2005-2006:

- Use of email to communicate within HPRB, with Board members, other personnel and clients, where appropriate;
- Use of recycled paper as message pads and for note taking, extending the life of the material prior to recycling;
- Use of double sided printing where possible;
- Allocation of paper recycling containers at all workstations to divert paper from waste bins and landfill;
- Referral of clients to Board websites as the preferred alternative to supplying hard copy information packages;
- Direction of defunct office equipment for recycling.
- Re-use in-house of components and parts to maintain or extend the life span of current equipment, where possible.

Having relocated to new office premises in the previous reporting period, the HPRB has consolidated its waste management and recycling arrangements throughout the year. This has in part been through liaison with the building's management and involvement in schemes to divert cardboard and recyclable packaging material as well as certain types of beverage containers from the waste stream. The HPRB anticipates participation with other initiatives being developed for the building tenants, which aim to achieve an 80% recycling target for waste from the building.

In summary, for the 2005-2006 financial year, the HPRB:

- Purchased all A4 copy paper with 50% recycled content;
- Recycled more than 90% of its total waste paper;
- Directed 100% of cardboard and packaging materials for recycling;

- Provided “wheelie” bins throughout the office for recycled paper that could not be re-used within the office;
- Maintained desk-side recycling bins at all work-stations to promote active recycling;
- Diverted 90% of toner cartridges to a recycling service.

Over the past year, higher activity levels for the Boards and their associated Committees coupled with an increase in the number of training courses presented by the Boards has resulted in greater quantities of paper and toner cartridges being purchased and subsequently recycled. While it is anticipated that this trend will continue for the coming year, it is also expected that there will be some reduction in the activity rates.

## PSYCHOLOGISTS REGISTRATION BOARD

### FINANCE AND BUDGET

#### 1. FORMAT

The accounts of the Board's Administrative operations as well as Education & Research activities are contained in the independent audit report as set out in the annual report.

#### 2. PERFORMANCE

The accounts in respect of the Board's administrative operating expenditure for the year show expenditure of \$1,163,340 (after allowing for Education and Research allocation). This compared to the budgeted operating expenditure of \$1,312,678 as contained in last year's annual report.

#### 3. BUDGET

The budget in respect of the administrative operation for the period 1 July 2006 to 30 June 2007 is as follows:-

	\$
<b>INCOME</b>	
Fees	708,155
Interest	139,611
Total	<u>847,766</u>
<b>EXPENDITURE</b>	
Salaries & Associated Staff Costs	781,896
Building Expenses	45,784
Subsistence & Transport	24,357
Members Fees	67,964
Fees for Service	433,518
Post & Communications	42,182
Printing & Stationery	17,762
Plant & Equipment	1,588
Education & Research	350,000
Miscellaneous	19,798
Depreciation	16,013
Total	<u>1,800,862</u>
Operations Deficit	<u>(953,096)</u>

#### 4. EXPENSES

The 2006/2007 year's budget includes salary oncost charges which reflect deferred liability provisions for superannuation as well as anticipated expenditure in relation to disciplinary hearings.

#### 5. PAYMENTS PERFORMANCE

A selected sample for each quarter of the year provided the following information in respect of the Board's administration operations: -

Quarter	Accounts paid on time		Less Than 30 days overdue (%)	Between 30 to 60 days overdue (%)	More than 90 days overdue (%)
	Target %	Actual %			
September	100.00	60.34	37.55	2.12	0.00
December	100.00	48.45	42.52	8.93	0.00
March	100.00	79.26	12.86	7.37	0.00
June	100.00	31.23	67.80	0.97	0.00

No interest was paid on late payments.

In regard to payments paid out to the Education and Research Account administered by the Board, the total expenditure performance is as follows based on a selected sample: -

Quarter	Total Accounts Paid on time	
	Target %	Actual %
September	100.00	100.00
December	100.00	100.00
March	100.00	100.00
June	100.00	58.43

## 6. INVESTMENT PERFORMANCE

The Board through a Special Interest Arrangement with the Commonwealth Bank of Australia earned an average of 5.04%p.a. on its daily bank balances. In addition an average rate of interest of 5.51%p.a. was earned on investments held in Negotiable Certificates of Deposit.

## 7. INSURANCE AND RISK MANAGEMENT

Insurance activities were undertaken by the Department of Health Insurance cover, as follows:

- < Industrial Special Risks Policy to cover all buildings, plant and contents;
- < Comprehensive Motor Vehicle Insurance Policy;
- < Public/Liability Insurance Policy;
- < Personal Accident Policy.

Risk Management were as follows:-

- < Regular preventive maintenance programs on all plant and equipment;
- < Security alarm system for premises occupied by the Board;
- < Security entry system for access to the Board's building during office hours;
- < Disaster Recovery Plan for the computer system;
- < Off site back-up of computer data.

**8. ANNUAL REPORT COSTS**

This year the Board has planned to publish 100 copies of the Annual Report at an approximate cost of \$3.06 per copy (includes GST).



GPO BOX 12  
Sydney NSW 2001

INDEPENDENT AUDIT REPORT  
PSYCHOLOGISTS REGISTRATION BOARD

To Members of the New South Wales Parliament

**Audit Opinion**

In my opinion, the financial report of the Psychologists Registration Board (the Board):

- presents fairly the Board's financial position as at 30 June 2006 and its performance for the year ended on that date, in accordance with Accounting Standards and other mandatory financial reporting requirements in Australia, and
- complies with section 41B of the *Public Finance and Audit Act 1983* (the Act) and the *Public Finance and Audit Regulation 2005*.

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

**Scope**

**The Financial Report and Board's Responsibility**

The financial report comprises the balance sheet, income statement, statement of changes in equity, cash flow statement and accompanying notes to the financial statements for the Board, for the year ended 30 June 2006.

The members of the Board are responsible for the preparation and true and fair presentation of the financial report in accordance with the Act. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit Approach**

I conducted an independent audit in order to express an opinion on the financial report. My audit provides *reasonable assurance* to Members of the New South Wales Parliament that the financial report is free of *material* misstatement.

My audit accorded with Australian Auditing Standards and statutory requirements, and I:

- assessed the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the Board in preparing the financial report, and
- examined a sample of evidence that supports the amounts and disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that Board members had not fulfilled their reporting obligations.

My opinion does *not* provide assurance:

- about the future viability of the Board,
- that it has carried out its activities effectively, efficiently and economically, or
- about the effectiveness of its internal controls.

#### **Audit Independence**

The Audit Office complies with all applicable independence requirements of Australian professional ethical pronouncements. The Act further promotes independence by:

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



M P Abood, CPA  
Director, Financial Audit Services

SYDNEY  
17 November 2006

## PSYCHOLOGISTS REGISTRATION BOARD

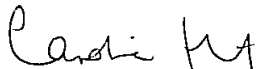
YEAR ENDED 30 JUNE 2006

### STATEMENT BY MEMBERS OF THE BOARD

Pursuant to the Public Finance and Audit Act, 1983, and in accordance with the resolution of the members of the Psychologists Registration Board, we declare on behalf of the Board that in our opinion:-

1. The accompanying financial statements exhibit a true and fair view of the financial position of the Psychologists Registration Board as at 30 June 2006 and transactions for the year then ended.
2. The statements have been prepared in accordance with the provisions of Australian Accounting Standards, Urgent Issues Group Interpretations, the Public Finance and Audit Act, 1983, the Public Finance and Audit (General) Regulation, 2005, 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.

  
\_\_\_\_\_

  
\_\_\_\_\_

**PSYCHOLOGISTS REGISTRATION BOARD  
INCOME STATEMENT**

**FOR THE YEAR ENDED 30 JUNE 2006**

	Notes	2006 \$	2005 \$
<b>Revenue</b>			
Registration Fees		708,155	646,826
Interest	3	152,214	146,448
		860,369	793,274
<b>Expenses</b>			
Operating Expenses	11(a)&(b)	813,340	645,483
Education & Research	12	104,758	64,821
		918,098	710,304
<b>Profit/(loss) for the year</b>		(57,729)	82,970

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

# PSYCHOLOGISTS REGISTRATION BOARD

## BALANCE SHEET AS AT 30 JUNE 2006

	Notes	2006 \$	2005 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	4	2,815,204	2,834,558
Receivables	5	14,831	29,008
<b>Total Current Assets</b>		<u>2,830,035</u>	<u>2,863,566</u>
<b>Non Current Assets</b>			
Furniture and Fittings	6(a)	59,570	72,658
Plant and Equipment	6(a)	52	1,309
<b>Total Non Current Assets</b>		<u>59,622</u>	<u>73,967</u>
<b>Total Assets</b>		<u>2,889,657</u>	<u>2,937,533</u>
<b>Current Liabilities</b>			
Payables	7	62,692	60,510
Fees in Advance		576,147	566,665
Provision for Personnel Services	6(b)	31,520	33,331
<b>Total Current Liabilities</b>		<u>670,359</u>	<u>660,506</u>
<b>Total Liabilities</b>		<u>670,359</u>	<u>660,506</u>
<b>Net Assets</b>		<u>2,219,298</u>	<u>2,277,027</u>
<b>Equity</b>			
<b>Accumulated Funds</b>	8	<u>2,219,298</u>	<u>2,277,027</u>

The Balance Sheet should be read in conjunction with the accompanying notes.

# PSYCHOLOGISTS REGISTRATION BOARD

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
<b>Total Income and Expense Recognised Directly in Equity</b>		-	-
<b>Profit/(Loss) for the year</b>		(57,729)	82,970
		<hr/>	<hr/>
<b>Total Income and Expense Recognised for the Year</b>		(57,729)	82,970
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# PSYCHOLOGISTS REGISTRATION BOARD

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2006

	Notes	2006 \$	2005 \$
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Fees and other income		1,070,273	712,114
Interest received		159,427	150,901
<b>Payments</b>			
Operating Expenses		(902,002)	(696,692)
GST receivable		(345,672)	(30,000)
<b>Net cash flows from operating activities</b>	9	(17,974)	136,323
<b>Cash flows from investing activities</b>			
Payments for plant and equipment		(1,380)	(81,266)
Proceeds from sales of plant and equipment		-	-
<b>Net Cash Flows from investing activities</b>		(1,380)	(81,266)
Net increase/(decrease) in cash held		(19,354)	55,057
<b>Cash and cash equivalents at the beginning of the financial year</b>		2,834,558	2,779,501
<b>Cash and cash equivalents at the end of the financial year</b>	4	2,815,204	2,834,558

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

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 1. ACCOUNTING POLICIES

#### a. Reporting Entity

The Psychologists Registration Board as a reporting entity, performs the duties and functions contained in the *Psychologists Act 1975*. The Board's financial affairs are administered by the Health Administration Corporation. These financial statements have been authorised for issue by the Board on 15 November 2006.

#### b. Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS)), and the requirements of the Public Finance and Audit Act and Regulation and the Treasurer's Directions. Plant and equipment, assets held for sale and financial assets held for trading and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention.

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 Board's financial report complies with Australian Accounting Standards, which include the Australian equivalents to International Financial Standards (AIFRS). This is the first financial report prepared based on AIFRS and comparatives for the year ended 30 June 2005 have been restated accordingly, except as stated below.

In accordance with AASB 1 First-time Adoption of Australian Equivalents to International Financial Reporting Standards and Treasury Mandates, the date of transition to AASB 132 Financial Instruments: Disclosure and Presentation and AASB 139 Financial Instruments: Recognition and Measurement was deferred to 1 July 2005. As a result, comparative information for these two Standards is presented under the previous Australian Accounting Standards which applied to the year ended 30 June 2005. The basis used to prepare the 2004/05 comparative information for financial instruments under previous Australian Accounting Standards is discussed in Note 1d below.

Reconciliations of AIFRS equity and surplus or deficit for 30 June 2005 to the balances reported in the previous AGAAP 2004/2005 financial report are detailed in Note 20.

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### **d. Financial Instruments Accounting Policy**

Cash and cash equivalents are measured at fair value with interest revenue accrued as earned such that the fair value is reflected at no less than the amount payable on demand. Receivables are not quoted in an active market and are measured at fair value. This accounting treatment is identical to AGAAP which was the basis of preparation figures for 2004/05.

### **e. Capitalisation Thresholds**

Non-current assets costing over \$5000 are capitalised.

### **f. Income Recognition**

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

Registration Fees are progressively recognised as revenue by the Board as the annual registration period elapses.

Interest revenue is recognised as it is accrued, taking into account the effective yield on the financial asset.

### **g. Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where that amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the Cash Flow Statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

### **h. Insurance**

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

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### **i. Acquisitions of Assets**

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

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

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

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

### **j. Impairment of Property, Plant and Equipment**

As a not for profit entity with no cash generating units, the Board is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

### **k. Maintenance**

The costs of 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.

### **l. 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 Board 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.

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### **m. Payables**

These amounts represent liabilities for goods and services provided to the Board and other amounts, including interest. 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.

### **n. Depreciation**

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

Depreciation rates used are as follows:

Equipment 25%  
Furniture and Fittings 16%

### **o. Accounting standards issued but not yet operative**

At the reporting date, a number of Accounting Standards adopted by the AASB had been issued but are not yet operative and have not been early adopted by the Board. The following is a list of these standards:

- AASB 7 – Financial Instruments: Disclosure (issued August 2005)
- AASB 119 – Employee Benefits (issued December 2004)
- AASB 2004-3 – Amendments to Australian Accounting Standards (issued December 2004)
- AASB 2005-1 – Amendments to Australian Accounting Standards (issued May 2005)
- AASB 2005-5 – Amendments to Australian Accounting Standards (issued June 2005)
- AASB 2005-9 – Amendments to Australian Accounting Standards (issued September 2005)
- AASB 2005-10 – Amendments to Australian Accounting Standards (issued September 2005)
- AASB 2006-1 – Amendments to Australian Accounting Standards (issued January 2006)

The initial application of these standards will have no impact on the financial results of the Board. The Standards are operative for annual reporting periods beginning on or after 1 January 2006.

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 2. FUNDS FOR EDUCATION AND RESEARCH PURPOSES

The Psychologists Registration Board is responsible for the administration of the Education and Research Account established on proclamation of the Psychologists Act 2001.

The Minister for Health may determine that a set amount out of the fees received from Psychologists be transferred to the Education and Research Account. In 2005/2006 an amount of \$350,000 was transferred (\$30,000 in 2004/2005).

### 3. INTEREST

	2006 \$	2005 \$
Interest Income	<u>152,214</u>	<u>146,448</u>

The interest received from the Commonwealth Bank of Australia, 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 boards by the Health Administration Corporation. In addition to daily balances receiving interest at a rate revised each week, the Bank also waived normal bank fees payable such as transaction fees, dishonoured cheques fees and charges applicable to overseas drafts.

The average interest rate earned for the year was:

Special Interest Arrangement 5.04% p.a. (4.83% p.a. in 2005)

### 4. CASH AND CASH EQUIVALENTS

	2006 \$	2005 \$
Cash at Bank	815,204	834,558
Negotiable Certificates of Deposit	2,000,000	2,000,000
Total	<u><u>2,815,204</u></u>	<u><u>2,834,558</u></u>

### 5. RECEIVABLES

	2006 \$	2005 \$
Interest receivable	12,290	19,502
GST Entitlement	1,235	8,956
Reimbursement mailing cost	1,306	-
Conference Deposit	-	550
Total	<u><u>14,831</u></u>	<u><u>29,008</u></u>

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 6. (a) Furniture and Fittings

#### Plant and Equipment

Plant and equipment is not owned individually by the Board. The amount recognised in the financial report has been calculated based on the benefits derived by the Board.

### (b) Provision for Personnel Services

Relates to the Annual Leave Provision.

### 7. PAYABLES

	2006 \$	2005 \$
Coordinator	1,162	-
Grants	22,684	
Salaries and Oncosts	30,856	27,217
General Purchases	7,964	33,267
GST	25	26
<b>Total</b>	<u>62,691</u>	<u>60,510</u>

### 8. ACCUMULATED FUNDS

	2006 \$	2005 \$
Total accumulated funds at the beginning of the year	2,277,027	2,194,057
Profit/(Loss) for the year	(57,729)	82,970
Total accumulated funds at the end of the year	<u>2,219,298</u>	<u>2,277,027</u>

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 9. NOTES TO THE CASH FLOW STATEMENT

9.1 Reconciliation of profit/(Loss) for the year to cash flows from operating activities.

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
Profit/(Loss) for the year	(57,729)	82,970
Depreciation	15,727	9,706
(Increase)/Decrease in receivables	14,177	(22,312)
(Decrease)/increase in Provision for Personnel Services	(1,811)	6,584
(Decrease)/Increase in payables	2,180	2,885
Increase/(decrease) in fees in advance	9,482	56,490
Net cash provided by/(used in) operating activities	<u>(17,974)</u>	<u>136,323</u>

9.2 For the purposes of the Cash Flow Statement, cash and cash equivalents include cash in the Bank and investments in Negotiable Certificates of Deposit with the Commonwealth Bank.

### 10. EXPENDITURE MANAGED THROUGH THE HEALTH ADMINISTRATION CORPORATION

The Board's accounts are managed by the Health Administration Corporation. The Health Administration Corporation has determined the allocation of costs to the Board and the basis of allocation. The costs may not include all costs associated with running the Board.

Salaries and associated oncosts are paid by the Health Administration Corporation. As from 17<sup>th</sup> March 2006 the staff were transferred to the Government Service and are listed in Chapter 1A of the Public Sector Management Act 2002. The Health Administration Corporation continues to pay for the staff and associated oncosts.

Details of transactions accounted for through the Health Administration Corporation are detailed in Note 11.

**PSYCHOLOGISTS REGISTRATION BOARD**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2006**

**11. EXPENDITURE ACCOUNTED FOR THROUGH THE HEALTH ADMINISTRATION CORPORATION**

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>Operating Expenses</b>		
<b>(a) Personnel Services</b>		
Salaries & Associated Staff Costs	461,665	351,513
<b>(b) General Expenses</b>		
Building Expenses	57,736	36,047
Subsistence & Transport	23,693	22,938
Members Fees	66,113	93,239
Fees for Service	122,922	80,354
Post & Communications	41,033	23,229
Printing & Stationery	17,279	16,034
Plant & Equipment	1,545	7,351
Miscellaneous	19,259	12,783
Audit Fees (allocation)	2,095	1,995
<b>Total General Expenses</b>	<b>351,675</b>	<b>293,970</b>
<b>Total Operating Expenses</b>	<b>813,340</b>	<b>645,483</b>

**12. EDUCATION AND RESEARCH EXPENSES**

	<b>2006</b>	<b>2005</b>
	<b>\$</b>	<b>\$</b>
<b>Expenses</b>		
Grants	11,801	14,752
Scholarships	59,047	50,069
Training	33,910	-
<b>Total</b>	<b>104,758</b>	<b>64,821</b>

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 13. EDUCATION AND RESEARCH ACCOUNT

Activity on the Education and Research Account during 2005-06 is detailed below:

	<b>2006</b> \$	<b>2005</b> \$
<b>Opening Bank Balance</b>	221,581	249,992
	<hr/>	<hr/>
<b>Revenue</b>		
Transfer from Operating Account	350,000	30,000
Revenue	39,251	6,410
	<hr/>	<hr/>
<b>Total Revenue</b>	389,251	36,410
	<hr/>	<hr/>
<b>Expenses</b>	104,758	64,821
	<hr/>	<hr/>
<b>Closing Bank Balance</b>	506,074	221,581
	<hr/>	<hr/>

### 14. FINANCIAL INSTRUMENTS

Financial instruments give rise to positions that are a financial asset of either the Board or its counterpart and a financial liability (or equity instrument) of the other party. They include cash at bank, receivables and payables. All classes of financial instruments, including revenue, expenses or other cash flows arising from instruments, are recognised at cost on an accrual basis.

In accordance with Australian Accounting Standard AAS33, information is disclosed regarding interest rate risk and credit risk of financial instruments. All amounts are carried in the accounts at net fair value which is considered to be same as the carrying amount in the balance sheet.

Interest rate risk affects cash at bank and investments where the value of these instruments is subject to fluctuation due to changes in market interest rates.

The Board's exposure to interest rate risk and the effective interest rates of financial instruments at year-end are:

	<b>2006</b> \$	<b>2005</b> \$
Cash at floating interest rates	815,204	834,558
Negotiable Certificates of Deposit at fixed rates	2,000,000	2,000,000
Receivables at non-interest bearing	14,831	29,008
Payables at non interest bearing	62,692	60,510

It is not considered that the receivables are subject to a credit risk.

## PSYCHOLOGISTS REGISTRATION BOARD

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

#### 15. CONSULTANCY CHARGES

The Health Administration Corporation arranges for consultancy services on behalf of the boards it administers. During 2005/2006 consultancy costs was \$33,910 out of Education and Research funds (\$14,713 out of Administration funds in 2004/2005).

#### 16. SUBSEQUENT EVENTS

None to report.

#### 17. CONTINGENT LIABILITIES

None to report.

#### 18. COMMITMENTS

Rental Charges	\$ 2006	\$ 2005
Less than 1 year	48,389	39,443
Between 1 and 5 years	172,218	155,344
Later than 5 years	-	-
<b>Total</b>	<b>220,607</b>	<b>194,787</b>

The total commitments for 2005-06 include input tax credits of \$20,055 (\$17,708 in 2004-05).

#### 19. BANK ACCOUNTS

The Board operates two bank accounts:

	\$ 2006	\$ 2005
Operating Account*	309,130	612,977
Education and Research Account	506,074	221,581
	<b>815,204</b>	<b>834,558</b>

\* managed by the Health Administration Corporation on the Board's behalf

During the year \$350,000 (\$30,000 in 2004-05) was transferred from the operating account to the Education and Research Account (Refer Note 13).

# PSYCHOLOGISTS REGISTRATION BOARD

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2006

### 20. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

The Psychologists Board has applied the Australian Equivalents to International Financial Reporting Standards (AEIFRS) from 2005/2006.

The Psychologists Board has determined the key area where changes in accounting policies impact the financial report. Some of these impacts arise because AEIFRS requirements are different from previous AASB requirements (AGAAP). Other impacts arise from options in AEIFRS. To ensure consistency at the whole of government level, NSW Treasury has advised agencies of options it has mandated for the NSW Public Sector. The impacts disclosed below reflect Treasury's mandates and policy decisions.

The impacts of adopting AIEFRS on total equity and surplus/(deficit) as reported under previous AGAAP are shown below. There are no material impacts on the Board's cash flows.

#### Reconciliation of equity under previous Standards (AGAAP) to equity under AEIFRS

	\$ 30 June 05	\$ 1 July 04
Total equity under AGAAP	2,277,027	2,194,057
<b>Total Equity under AEIFRS</b>	<b>2,277,027</b>	<b>2,194,057</b>

Reconciliation of surplus/(deficit) under previous standards (AGAAP) to profit/(loss) under AEIFRS:

<b>Year ended 30 June 2005</b>	<b>\$</b>
Surplus/(deficit) under AGAAP	82,970
<b>Profit/(loss) under AEIFRS</b>	<b>82,970</b>

**End of Audited Financial Statements**

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