Medical Council *of* New Zealand

Te Kaunihera Rata o Aotearoa

Medical Council of New Zealand

Annual Report 2010

TE KAUNIHERA RATA O AOTEAROA
MEDICAL COUNCIL OF NEW ZEALAND

Protecting the public, promoting good medical practice
Te tiaki i te iwi whānui me te whakatairanga pai i te mahi e pā ana ki te taha rongoā

CONTENTS

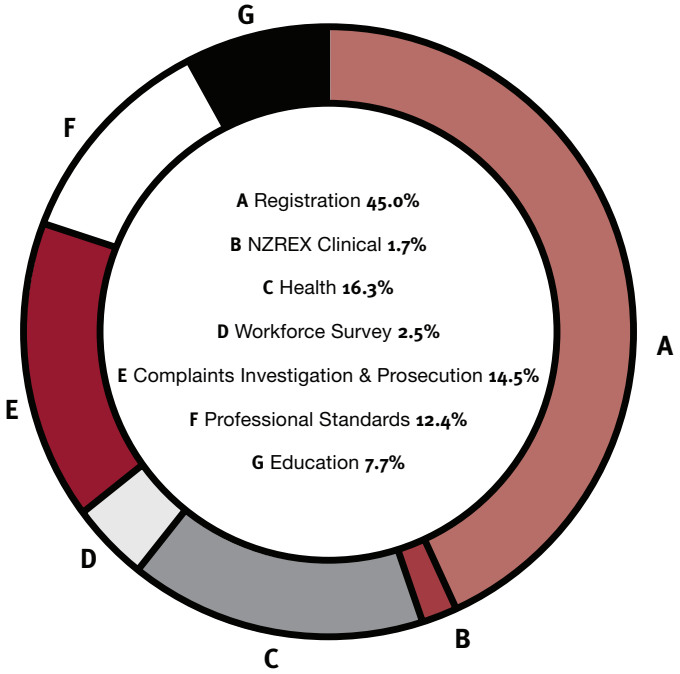
The Medical Council of New Zealand is pleased to submit this report for the year ended 30 June 2010 to the Minister of Health. The report is presented in accordance with section 134 of the Health Practitioners Competence Assurance Act 2003 (HPCAA) and includes a report on activities of the Health Practitioners Disciplinary Tribunal for doctors only.

FACTS AT A GLANCE

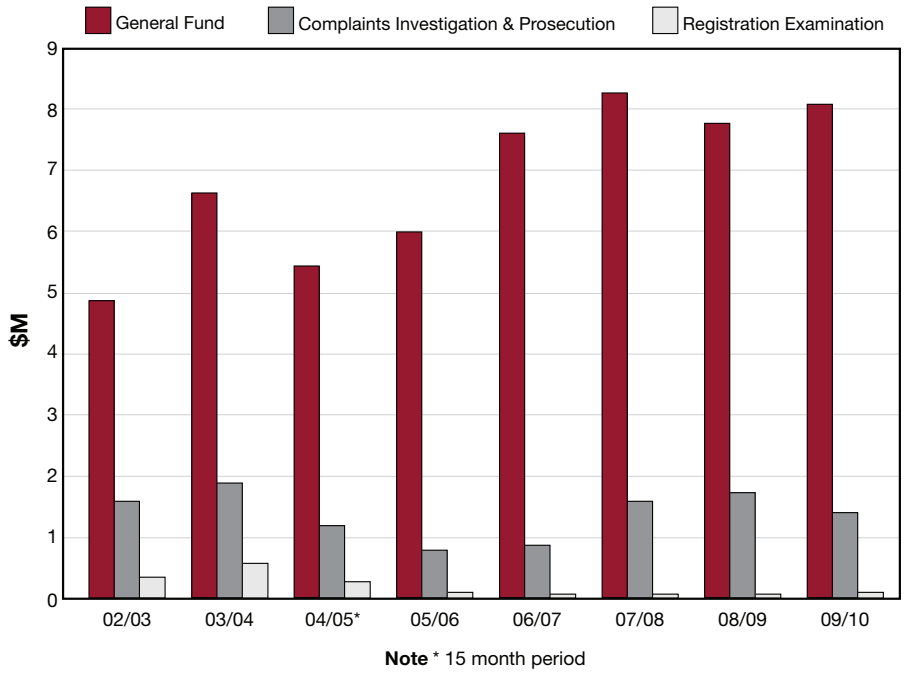
1 JULY 2009–30 JUNE 2010

DOCTORS REGISTERED	1,522
– Trained in New Zealand	348
– International medical graduates	1,174
Total practising doctors at 30 June 2010	12,644
Doctors registered with vocational scopes	8,156
Candidates who sat NZREX Clinical	108
Candidates who passed NZREX Clinical	57
Referrals to competence	43
Educational programmes	9
Health referrals	66

SUMMARY OF EXPENDITURE

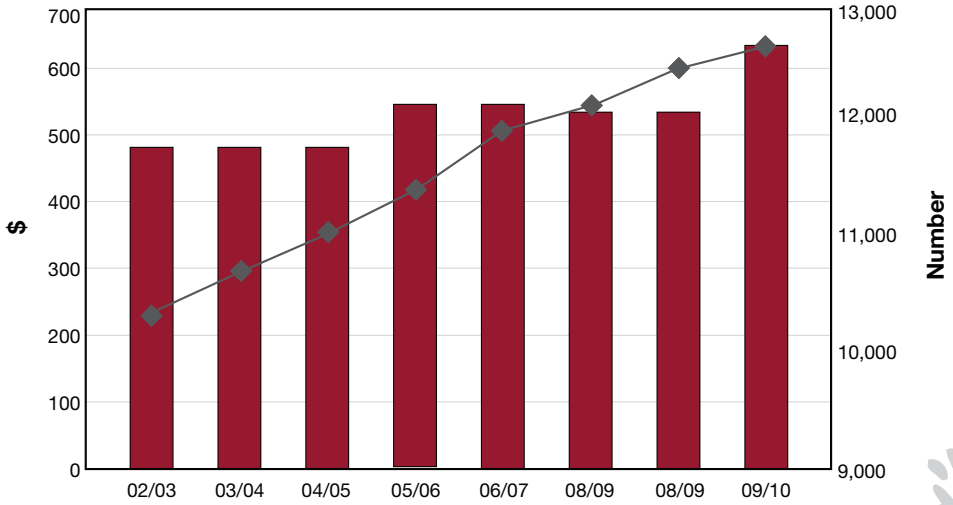


TOTAL EXPENDITURE



Note * 15 month period

PRACTISING CERTIFICATE



MEMBERS OF THE MEDICAL COUNCIL

AT 30 JUNE 2010

DR JOHN ADAMS
MB ChB, FRANZCP

Appointed to the Council in August 2008. Dr Adams is chairperson of the Council.

Appointed Dean of the Dunedin School of Medicine in 2003, Dr Adams is a University of Otago graduate, who subsequently trained in psychiatry.

He gained his Fellowship of the Royal Australian and New Zealand College of Psychiatrists in 1984. He worked for many years at the Ashburn Clinic in Dunedin, where he was appointed Medical Director in 1988.

Dr Adams has had extensive involvement with the New Zealand Medical Association (NZMA), initially as a Council delegate, then as a board member, and later as NZMA chairperson from 2001 to 2003. A long-term interest in professionalism and ethics led to him chairing the NZMA Ethics Committee during the recent review of the NZMA Code of Ethics.

Dr Adams teaches in the professional development programme in the undergraduate course in Dunedin. He is a trustee on the New Zealand Institute of Rural Health, the Ashburn Hall Board of Trustees, and the Alexander McMillan Trust.

Since joining the Council, he has participated as a member of the Health Committee and chairperson of the Education Committee. As chairperson, Dr Adams is ex-officio on all Council committees.

DR RICHARD (RICK) ACLAND
MB ChB, FAFRM (RACP) FANZCA

Re-elected member, having been originally appointed to the Council in June 2006.

Dr Acland practises in rehabilitation medicine at Burwood Hospital, Christchurch. He is a visiting consultant to the Auckland Spinal Unit and the Mercy Pain Service in Dunedin. He is a former Clinical Director of the Department of Anaesthesia and the Spinal Unit in Christchurch.

He was an anaesthetist in Auckland from 1979 to 1994 and President of the New Zealand Pain Society from 2002 to 2003. Dr Acland has also been a member of the Ministry of Health's Medicines Assessment Advisory and Pharmacology and Therapeutics Advisory Committees.

DR ANDREW CONNOLLY

MB ChB, FRACS

Appointed to the Council in November 2009.

Dr Connolly is a general and colorectal surgeon, employed fulltime by Counties Manukau District Health Board. Trained in Auckland, Dr Connolly had a formal 18-month period of surgical research under Professor G L Hill before completing post-fellowship colorectal training in the United Kingdom, returning to Middlemore Hospital as a consultant surgeon in late 1997.

He has a strong interest in governance and clinical leadership and has been the Head of Department of General and Vascular Surgery for the last 6 years. He has served on the ministerial advisory group responsible for the In Good Hands document, which is helping district health boards introduce greater clinical leadership into the public health system. In addition, he has served on various district health boards and national committees, including the New Zealand Guidelines Group for the screening of those with an increased risk of colorectal cancer. Dr Connolly also has a strong interest in surgical education and training, and acute surgical care. He is actively involved in surgical research into enhanced recovery.

Dr Connolly is a member of the Council's Audit and Education Committees.

DR JONATHAN FOX

MB BS, MRCS LRCP, MRCGP, FRNZCGP

Elected member who was appointed to the Council in June 2009.

Dr Fox is a general practitioner (GP) from Auckland. He is the immediate past president of the Royal New Zealand College of General Practitioners (RNZCGPs) and the immediate past chair of the Council of Medical Colleges in New Zealand. He is a board member of the NZMA and also ProCare, the Auckland Independent Practitioners Association. He is also a member of various charitable and research trusts in the Auckland region.

Dr Fox has previously been a member of the GP Council of the NZMA, the Competence Advisory Team of the Medical Council, and an independent medical adviser to the Treatment Injury Unit ACC. He has held the position of Medical Officer to Kings College Auckland as well as many RNZCGP Auckland Faculty positions.

Dr Fox qualified from Guys Hospital Medical School London in 1974. He then spent 7 years as a Medical Officer in the Royal Navy – including three and a half years as a submarine medical officer and 2 years in Hong Kong before completing his vocational training in the United Kingdom. After leaving the navy, he spent 8 years as a general practitioner in Rugby in the United Kingdom, where he was also Medical Officer to Rugby School. He migrated to New Zealand in 1990 with his GP wife and their family. Over 20 years their practice has grown and become established as a five-doctor practice in Meadowbank, Auckland.

He was recently awarded an Honorary Fellowship by the Royal Australian College of General Practitioners and a Distinguished Fellowship by the Royal New Zealand College of General Practitioners.

Dr Fox is a member of the Council's Audit and Health Committees.

DR ALLEN FRASER

MB ChB, DPM, MRCPsych, FRANZCP, Dip Prof Ethics

Appointed to the Council in August 2008.

Dr Fraser is a descendant of Scots who left Scotland for Nova Scotia before finally settling in Waipu in 1856. After attending medical school in Dunedin in the 1960s, Dr Fraser trained as a psychiatrist in Auckland and at St Thomas' Hospital in London. Dr Fraser was appointed as a consultant psychiatrist in South Auckland in 1977. He led the development of community-based mental health services, at the same time continuing his career-long commitment to the acute in-patient care of the seriously mentally ill.

He has been involved in many professional organisations (local, national and international), the first and most enduring being the Royal Australian and New Zealand College of Psychiatrists. He has been involved in College affairs in one way or another since 1980, including as chairperson of the New Zealand Committee for four and a half years. He was president of the Association of Salaried Medical Specialists for 4 years and is now a life member.

Dr Fraser has interests in philosophy, ethics, and law as they relate to medicine and particularly psychiatry. He has researched in this area, presented at international conferences, and assisted in the training of family court judges. He has an ongoing commitment to self-education and to the education and training of colleagues and those who will replace them.

His current clinical work is in private practice in Auckland where he concentrates on mood disorders and medico-legal assessments.

Dr Fraser is chairperson of the Council's Education Committee and a member of its Health Committee.

MS JUDITH FYFE

LLB, ONZM

Appointed to the Council in August 2008.

Ms Fyfe is a lay member who has a background in research and communication. Before co-founding the New Zealand Oral History Archive with Hugo Manson, she worked in television as a journalist and in the film industry.

Ms Fyfe practises as a barrister specialising in forensic law. She lectures in oral history in New Zealand and the United States and is contracted by the Oral History Centre, Alexander Turnbull Library, to carry out contemporary oral history projects.

Ms Fyfe is also a partner in City Associates, a film production company, and a former member of the Copyright Tribunal and the Film and Literature Board of Review. In addition to involvement in several community organisations, she is a long-time member of the Wellington Medico-Legal Society.

Ms Fyfe is a member of the Council's Audit and Education Committees.

MS ELIZABETH (LIZ) HIRD

LLB (Hons)

Appointed to the Council in June 2005

Ms Hird is a lay member who has been a barrister since 1987 and has a wide ranging commercial and administrative law practice. Ms Hird has had a long involvement in community health, beginning with the founding of the Otaki Women's Health Group in 1987. She was also an initial member of the Otaki Community Health Committee of the Area Health Board and founding trustee and chairperson of the Otaki Community HealthTrust. The Trust provides community grants for health projects. Ms Hird is the current chairperson of the Trust.

Ms Hird was a member of the Otaki PHO steering committee that established the Otaki Community PHO. Ms Hird is also national contractual legal adviser to HealthCare Aotearoa (Inc), a network of community primary health providers.

In 2004, Ms Hird was appointed District Inspector for Intellectual Disability Services for the lower half of the North Island. In 2005, she was reappointed District Inspector of Mental Health Services for Manawatu, Wairiarapa and Wellington.

Ms Hird is chairperson of the Council's Audit Committee and Deputy Chairperson of its Education Committee.

MRS LAURA MUELLER

Juris Doctor (Calif), BA Psych (Calif)

Appointed to the Council in November 2009.

Mrs Mueller is a lay member who was appointed as a judicial officer for the Ministry of Justice in 1999 and sits as a referee in the Disputes Tribunal at the Tauranga District Court. She has 20 years of business experience, including management of a large accounting and tax practice and experience as a medical insurance underwriter.

Mrs Mueller has a keen interest in governance and leadership. She serves on the Disputes Tribunal's National Education Committee, has served as treasurer on the Disputes Tribunal's Referees Association Executive, and is a peer reviewer for her fellow referees.

Mrs Mueller is an alternate member of the Council's Health Committee.

PROFESSOR JOHN NACEY

MB ChB, MD, FRACS

Appointed to the Council in March 2010.

Professor Nacey graduated from the University of Otago in 1977. After completing specialist training in urology, which included an appointment as Chief Resident in Surgery at the Flinders University Medical Centre, he returned to New Zealand to take up a joint hospital/ university position in Wellington. In 1998 he was appointed Dean and Head of Campus at the University of Otago's Wellington School of Medicine, a position he held for 10 years.

With a specialised interest in prostate disease, Professor Nacey has published extensively in this area. He is a member of the prestigious Urological Research Society and acts as referee for several major international journals. As a past examiner for the Royal Australasian College of Surgeons, he has maintained his interest in teaching both undergraduate medical students and postgraduate surgical trainees.

Professor Nacey holds the position of Professor of Urology at the Wellington School of Medicine. He has widespread community involvement including membership of the Board of Management of the Wellington Medical Research Foundation and the New Zealand Cancer Standards Institute. He remains a strong advocate for promoting men's health.

DR KATE O'CONNOR

MB ChB, FRANZCR

Elected member who was appointed to the Council in June 2005.

Dr O'Connor graduated from the University of Auckland in 1995 and completed her vocational training in diagnostic radiology in 2002. She worked as a house officer in Waikato and Tauranga Hospitals and as a registrar in all the public hospitals in Auckland.

During that time, she served on the national executive of the New Zealand Resident Doctors' Association for 6 years, including 2 years as national president.

Dr O'Connor is a radiologist at Auckland District Health Board and a partner at Auckland Radiology Group.

She is deputy chairperson of the Council and chairperson of its Health Committee.

PROFESSOR RICHARD (DICK) SAINSBURY

MB ChB, FRACP

Elected member who was appointed to the Council in June 2009.

After Professor Sainsbury graduated from the University of Otago, he completed 6 years as resident medical officer in Auckland before going to the United Kingdom for advanced training. Since 1982 he has worked as a consultant physician in geriatric medicine in Christchurch in dual university/hospital appointments. He has a particular interest in student teaching and has served a period as a trainee intern coordinator. He has also been involved in examining, mentoring, and supervising international medical graduates.

Professor Sainsbury is a member of the Council's Education Committee.

MRS HEATHER THOMSON

Appointed to the Council in September 1999.

Mrs Thomson is in her third term as a lay member of the Council. She has been a public member on many boards including several of the Cartwright committees, the Public Health Commission, the Mäori Health Commission, and the Bay of Plenty District Health Board.

Mrs Thomson is the manager of Rural Health Services Eastern Bay and lives in Whitianga Bay, 50 kilometres east of Opotiki. Her interest in health has been mainly in health management, the development of services for Mäori, and community and rural development. Her hapu is Ngati Paeakau; her iwi te Whänau a Apanui.

Mrs Thomson is a member of the Council's Health Committee.

CHAIRPERSON'S FOREWORD

My first report covers the last 5 months of the reporting year, following my election as Council chairperson in February 2010. It has not been an easy task stepping into the position that for 7 years was very ably filled by Professor John Campbell.

Through his work on the Council, Professor Campbell has made a tremendous contribution to the public, the profession and to the whole of the health workforce. Since joining the Council 8 years ago, Professor Campbell has been a part of or chaired Council's Audit, Education, Examination, Health, and Issues Committees.

We have been fortunate to benefit from his wide range of experience, together with his clinical, academic, and medical knowledge, and appointments to various committees over the years. They have combined to give us the leadership and direction the Council has needed, particularly with the introduction of the Health Practitioners Competence Assurance Act 2003.

I know that all Council members and staff join me in thanking Professor Campbell for his major contribution.

OTHER CHANGES TO COUNCIL MEMBERSHIP

This year has again been a time of significant change on the Council. It was a year that saw Dr Barnett Bond and Ms Jean Hera complete their terms on Council.

Dr Bond served on the Council for 7 years and made a significant contribution as a chair of the Audit Committee and as a member of the Health Committee. Ms Jean Hera was a keen advocate of patient rights as a lay member of the Council its Education Committee.

Three new Council members were appointed during the year by the Minister for a 3-year term. They were Dr Andrew Connolly (November 2009), Mrs Laura Mueller (November 2009), and Professor John Nacey (March 2010).

APPROVED PRACTICE SETTINGS

In late April, we announced plans to improve on-the-job support for doctors who are new to New Zealand to help them settle into our health care system.

To do this, we are recognising services that have quality systems in place to ensure doctors are well supported and supervised when they begin medical practice in New Zealand. The approved practice settings (APS) framework is intended to provide improved and more focused supervision for international medical graduates (IMGs) to ensure their safe and supported integration into the health workforce and to ensure patient health and safety.

Accreditation of a service such as a hospital department as an APS would provide assurance to the public that clinical governance, quality, and patient safety were priorities for the service, and that systems were in place to ensure high standards of practice were maintained. It would also support a collegial and team approach to supervision and recognition of services that span more than one site. The APS model also allows for more efficient registration processes.

REGULAR PRACTICE REVIEWS

Following consultation with the profession last year, we have decided to work with the Colleges to implement regular practice reviews (RPR) for the profession. We have agreed a set of principles against which RPRs will be assessed for the purposes of accreditation by the Council. The principles are listed below.

- The RPR is a formative process. It is a supportive and collegial review of a doctor's practice by peers, in a doctor's usual practice setting.
- The primary purpose of RPR is to improve the standards of the profession. It is possible that RPR may also assist in the identification of poor performance which may adversely affect patient care.
- The RPR will be led by the profession with support and assistance from Council.
- Council will encourage each branch advisory body (BAB) to develop a RPR process using specific tools relevant to that specialty. Alternatively, they may expand on existing BAB processes or tools that have already been developed to include the Council's RPR principles. The BABs will make the process available to doctors on a voluntary basis. Council will assess and provide feedback about the RPR process when accrediting a BAB recertification programme.
- RPR is informed by a portfolio of information provided by the doctor, which may include audit outcomes and logbooks.
- A 360 degree assessment forms part of a RPR.
- The RPR must include some component of external assessment that is by peers external to the doctor's usual practice setting.
- The RPR must include a process for providing constructive feedback to the doctor being assessed.

We have been working closely with a number of BABs such as the Royal Australian and New Zealand College of Obstetricians and Gynaecologists, the New Zealand Orthopaedic Association, the Royal New Zealand College of General Practitioners and the Royal Australiasian College of Physicians. We would like to thank them for their support and involvement with the RPR concept.

In the coming year we will undertake research to determine the value of RPR to the doctors who have gone through the process and the actual costs of carrying it out.

ASSISTING INTERNATIONAL MEDICAL GRADUATES

New Zealand's medical workforce is heavily reliant on international medical graduates (IMGs), who make up about 39 percent of our current workforce. After 5 years only around 28 percent of IMGs are retained. We know many IMGs are not familiar with the New Zealand health system and need time to learn how to work within the hospital system.

In the past year, we commissioned research to identify the orientation needs and wants of IMGs, as well as their reasons for leaving New Zealand. We also commissioned additional research which asked IMGs questions about their experiences with our registration processes and supervision.

Based on feedback received, we are working with district health boards to improve their orientation and induction programmes, providing interactive online resources on our website for IMGs, online best practice guidelines for employers and supervisors, which contain information about other external resources available.

ARTICLES

I would like to record my thanks to New Zealand Doctor for providing us with the opportunity to raise issues with the profession through their newspaper. Likewise, my thanks go to Colleges and organisations, such as the Association of Salaried Medical Specialists, the New Zealand Medical Association, the New Zealand Resident Doctors' Association, and Te ORA (Te Ohu Rata o Aotearoa) for helping us keep in touch with their members on various issues.

THANKS

Finally, I would like to acknowledge the dedication and the professionalism of staff and the commitment and support of Council members during the last year.

Dr John Adams
Chairperson

CHIEF EXECUTIVE'S INTRODUCTION

BUSINESS DIRECTION

This year, we continued to refine our strategic goals and direction. Our four strategic goals are:

1 Optimise mechanisms to ensure that doctors are competent and fit to practise.

2 Improve the Council's relationship and partnership with the public, the profession, and stakeholders so that it can fulfill its role under the Health Practitioners Competence Assurance Act 2003.

3 Promote good self-regulation by providing standards for medical practice and ensuring that the standards reflect the expectations of the public, the profession, and stakeholders.

4 Improve medical regulatory and workforce outcomes both in New Zealand and internationally through promoting increased knowledge and awareness of issues.

In 2007, Council established four strategic directions, each of which links to one or more of the goals. During 2009/10 we began to implement many of the initiatives, and with this we have moved closer to achieving our goals.

The following is a summary of the progress achieved during 2009/10 within each of the four directions.

FITNESS TO PRACTISE

- Completion of the consultation process and consideration of the feedback from stakeholders, and the national road show of meetings with the profession, about regular practice reviews (RPR).
- A decision by Council on the set of key principles for RPR, and agreement that the primary purpose is to improve the standards of the profession.
- Working with individual branch advisory bodies (BABs), assisting them to develop and implement RPR processes and supporting the sharing of information between BABs.
- A consultation paper to stakeholders proposing strengthened recertification requirements that include RPR for doctors registered in a general scope of practice.
- Initiating Council-led research into the effectiveness of RPR.
- Monitoring of ongoing international research about extended performance assessment.
- Reviewing and adapting assessment tools appropriate for individual scopes, for use in vocational practice assessments; for example, anaesthesia, and obstetrics and gynaecology.
- Drafting a statement and undertaking consultation on *What to do when you have concerns about a colleague.*

MEDICAL MIGRATION

- Surveying employers and BABs about current orientation and induction processes for international medical graduates (IMGs).
- Developing a new model for supervision of IMGs that includes the option of a service being recognised as an approved practice setting (APS).
- Developing and implementing a new improved framework for the supervision of IMGs (for individual supervision plans).
- Publishing a new booklet outlining supervision requirements.

Completing research about:

  - why IMGs leave New Zealand
  - what IMGs want during their orientation and induction to practice in New Zealand
  - barriers to the recruitment and retention of IMGs
  - how IMGs view the Council's registration processes and ways which our registration processes may be improved.

- Developing best-practice standards and a checklist for orientation of IMGs
- Developing and facilitating three training sessions for supervisors of IMGs (Wellington, Auckland, and Christchurch), in conjunction with the Cognitive Institute, with participants attending from each DHB
- Advocating credentialling processes to ensure doctors' competence and fitness to practise, using a range of mechanisms, including making credentialling a requirement for an APS.

ACCOUNTABILITY TO THE PUBLIC AND STAKEHOLDERS

- Defining and communicating to stakeholders our decision-making principles.
- Developing and following consistent and robust processes for consultation with stakeholders.
- Reviewing how we disclose and share information.
- Establishing an annual stakeholder engagement plan.

CHANGES TO SCOPES OF PRACTICE AND PRESCRIBED QUALIFICATIONS

In early 2010, we published in the *New Zealand Gazette* our review of scopes of practice and prescribed qualifications.

Two new special purpose scopes of practice under the locum tenens pathway have been created. They are:

- assisting in a pandemic or disaster
- providing teleradiology services to New Zealand patients.

In addition, we reduced the required period of supervision for doctors registered within a provisional general scope of practice for the competent authority, and comparable health system pathways.

RISK MANAGEMENT

An external consultant has undertaken a risk management review of the Council's work. The purpose of the review was to get a fresh perspective and expert advice concerning our risk register and our framework for risk management with a particularly focus on whether our:

- risk register is complete
- risk assessment process is robust and fit for purpose; and current practice aligns with best practice and supports effective risk governance.

We are now working towards the development of a risk management and action plan to ensure best practice and sensible risk management within the Council.

COUNCIL FOR HEALTHCARE REGULATORY EXCELLENCE

In April, we invited the Council for Healthcare Regulatory Excellence (CHRE) to undertake an independent audit of our policies, processes, and performance. Based in the United Kingdom, the CHRE promotes the health and well-being of patients and the public in the regulation of health professionals; as well as sharing good practice and knowledge with the regulatory bodies, conducting research and introducing new ideas about regulation to the sector.

Their philosophy of right-touch regulation is based on a careful assessment of risk, which is targeted and proportionate and provides a framework in which professionalism can flourish and organisational excellence can be achieved.

The audit noted, 'Other countries could learn much from the rehabilitative and collegiate approach to regulation that has been adopted in New Zealand. However, this approach needs to be augmented by greater transparency and accountability and by increased public and patient involvement.'

We will in the coming year be looking at how we can achieve this and other suggestions.

INFORMATION TECHNOLOGY

We went 'live' with our new infomation system in March, and are now actively developing enhanced online capability.

PUBLICATIONS

Our major publication was the release of *Best Health Outcomes for Pacific Peoples*: *Practice Implications*. This resource booklet prepared for the Council by Mauri Ora Associates is designed to help BABs and doctors meet the cultural competence requirements of the HPCAA and to improve the health outcomes of all Pacific peoples.

The booklet complements the Council's *Statement on Cultural Competence* and the *Best Health Outcomes for Māori: Practice Implications* resource. It also offers guidance on the cultural diversity of and cultural preferences of Pacific peoples in New Zealand.

THANKS

My thanks go to Professor John Campbell and Dr John Adams, and to all the Council members and staff for their support and professionalism during the year.

Philip Pigou
Chief Executive

MEDICAL EDUCATION

Principal activities: accreditation of medical schools, assessing teaching and learning environments in hospitals for interns, maintaining a network of intern supervisors, setting policy on the intern and prevocational years, considering applications for recognition and reaccreditation of vocational scopes of practice, approving recertification programmes

Total cost: $ 739,038

Our focus on medical standards and public safety begins with the education of doctors.

Our areas of responsibility

We have four main areas of responsibility:

- accreditation of medical schools and courses in conjunction with the Australian Medical Council
- education, training, and supervision during a doctor's intern year
- vocational education and training
- accreditation and reaccreditation of branch advisory bodies (BABs) and Colleges.

THE COUNCIL'S EDUCATION COMMITTEE

The Education Committee is made up of doctors and educators. It includes two resident medical officers who provide an important perspective as recent graduates.

See page 42 for the members of the Education Committee.

OVERSEEING INTERNS

The Council is responsible for promoting medical education and training under the Health Practitioners Competence Assurance Act 2003. This includes overseeing the intern year – the period when junior doctors are registered in a provisional general scope.

The Council recognises that educational goals and policies for interns must:

- support public health and safety at all times
- provide appropriate education, training, supervision and experience to enable interns to become registered within a general scope of practice
- take account of workforce shortages in New Zealand and other medical workforce factors.

DOCTORS' HEALTH

Principal activities: considering the cases of doctors with possible health conditions, establishing treatment and monitoring programmes for doctors whose health conditions affect their fitness to practise, promoting doctors' health

Total cost: $ 1,241,580

The Council aims to protect patients by appropriately managing doctors who may not be fit to practise because of a mental or physical condition.

Doctors, like the general population, can suffer from various afflictions, including drug and alcohol dependence, psychiatric problems, and a wide range of physical disorders, all of which can affect their performance.

REFERRALS TO THE HEALTH COMMITTEE

The Health Committee received 66 new referrals during the year. In addition to new referrals, the Council continued to monitor 201 doctors from the previous year.

The total number of doctors monitored for the year was 210. See Table 1 for a summary of health statistics for doctors.

1.

DOCTORS' HEALTH STATISTICS

1 July 2009–30 June 2010

New referrals received	**66**
Closed	13
In abeyance / pending	-
Total	53
Source of referrals	
Self	42
Employer	9
Council	6
Treating doctor	3
Media	1
Other	5
Reason for referral	
Alcohol abuse	6
Drug abuse	2
Psychiatric	36
Physical – includes cognitive, transmissible major viral infections	22
Monitoring continued from previous year	**201**
Closed	44
TOTAL	**157**
Total doctors monitored at 30 June 2010	**210**

REGISTRATION OF DOCTORS

Principal activities: maintaining the medical register, considering applications for registration, issuing practising certificates and certificates of good standing, developing registration policy

Total cost: $ 4,324,542

All doctors who practise medicine in New Zealand must be registered by the Council and hold an annual practising certificate (PC). Registration ensures that a doctor is fit to practise medicine and that the doctor has met the required standards of competence to practise safely. Registered doctors must comply with the Council's continuing professional development requirements each year to maintain their registration.

Registration continues to be the Council's largest area of activity. See Table 2 for a summary of registration status and Table 3 for a summary of the Council's registration activities.

Table 4 gives details of doctors registered in vocational scopes and Table 5 shows registrations issued by country of primary qualification. See Table 6 for statistics about vocational scopes and Table 7 for a summary of the outcomes of vocational assessments. Table 8 shows the numbers of doctors on the New Zealand medical register, by country of primary qualification.

Eligibility for doctors seeking registration in general and special purpose scopes of practice is provided within 20 working days of receiving a completed application. Eligibility for registration within a vocational scope of practice is provided after consultation with the relevant branch advisory body and takes on average 6 months.

KEY STATISTICS

Key registration statistics for the year ended 30 June 2010 follow.

- 1,174 international medical graduates (IMGs) were registered.
- 348 New Zealand graduates were registered.
- 17,768 doctors were on the medical register and 12,644 of these held a current practising certificate.

2.

SUMMARY OF REGISTRATION STATUS

At 30 June 2010

Provisional general	2,502
General	6,695
Provisional vocational	160
Vocational	8,156
Special purpose	165
Total practising	12,644
Suspended	4
TOTAL ON REGISTER	**17,678**

NOTE: Doctors holding more than one registration status concurrently have been counted once for this table.

3.

REGISTRATION ACTIVITIES

1 July 2009–30 June 2010

Provisional general/vocational issued	
New Zealand graduates (interns)	343
Australian graduates (interns)	2
Passed NZREX Clinical	57
Graduate of competent authority accredited medical school	480
Worked in comparable health system	310
Non-approved postgraduate qualification – vocational assessment	61
Non-approved postgraduate qualification – vocational eligible	59
Approved postgraduate qualification – vocational eligible	3
General scope issued	
New Zealand graduates	4
Overseas graduates	54
Reinstatements	17
Special purpose scope issued	
Visiting expert	9
Research	–
Postgraduate training or experience	33
Locum tenens in specialist post	165
Emergency or other unpredictable short-term situation	–
General scope after completion of supervised period	
New Zealand/Australian graduates (interns)	320
Passed NZREX Clinical	32
Graduate of competent authority accredited medical school	234
Worked in comparable health system	99
Transitional	37

Continued...

Vocational scope after completion of supervised period	
Non-approved postgraduate qualification – vocational assessment	20
Non-approved postgraduate qualification – vocational eligible	52
Approved postgraduate qualification – vocational eligible	–
Approved BAB training programme	–
Suspensions	
Suspended or interim suspension scope	2
Revocation of suspension scope	2
Conditions	
Imposed	177
Revoked	31
Cancellations under the HPCAA	
Death – s 143	41
Discipline order – s 101(1)(a)	2
False, misleading, or not entitled – s 146	–
Revision of register – s 144(5)	393
At own request – s 142	144

4.

DOCTORS REGISTERED IN VOCATIONAL SCOPES

1 July 2009–30 June 2010

Vocational scope	Vocational registration at 30/6/2009[1]	Added 2009/2010	Removed 2009/2010	Net change	Vocational scope at 30/6/2010[1,2]
Accident and medical practice	138	4	4	–	138
Anaesthesia	653	41	7	34	687
Cardiothoracic surgery	28	1	–	1	29
Clinical genetics	8	–	–	–	8
Dermatology	56	4	–	4	60
Diagnostic and interventional radiology	369	14	2	12	381
Emergency medicine	153	18	–	18	171
Family planning and reproductive health	28	1	–	1	29
General practice	3,001	144	36	108	3,109
General surgery	301	13	9	4	305
Intensive care medicine	61	6	–	6	67
Internal medicine	896	47	14	33	929
Medical administration	19	1	–	1	20
Musculoskeletal medicine	21	3	–	3	24
Neurosurgery	20	1	–	1	21
Obstetrics and gynaecology	308	16	6	10	318
Occupational medicine	53	3	–	3	56
Ophthalmology	146	9	5	4	150
Oral and maxillofacial surgery	16	1	–	1	17
Orthopaedic surgery	253	19	2	17	270
Otolaryngology, head and neck surgery	112	3	1	2	114

Continued...

Vocational scope	Vocational registration at 30/6/2009[1]	Added 2009/2010	Removed 2009/2010	Net change	Vocational scope at 30/6/2010[1,2]
Paediatric surgery	18	–	–	–	18
Paediatrics	328	28	5	23	351
Palliative medicine	45	3	1	2	47
Pathology	308	19	12	7	315
Plastic and reconstructive surgery	61	6	2	4	65
Psychiatry	602	43	9	34	636
Public health medicine	200	10	5	5	205
Radiation oncology	64	6	–	6	70
Rehabilitation medicine	17	2	–	2	19
Rural hospital medicine	11	15	–	15	26
Sexual health medicine	21	1	–	1	22
Sports medicine	20	1	–	1	21
Urology	60	2	2	–	60
Vascular surgery	26	3	–	3	29
TOTAL	**8,421**	**488**	**122**	**366**	**8,787**

NOTES: [1]Includes doctors who may currently be inactive (have no practising certificate).
[2] Includes 286 doctors with registration in two vocational scopes and one doctor with registration in three vocational scopes.

5.

REGISTRATIONS ISSUED, BY COUNTRY OF PRIMARY QUALIFICATION

1 July 2009–30 June 2010

PROVISIONAL GENERAL					
Country	**New Zealand / Australian graduates**	**Exams**	**Competent authority**	**Comparable health system**	**Total**
Australia	2	–	–	–	2
Austria	–	–	–	10	10
Bangladesh	–	–	–	–	–
Belgium	–	–	–	1	1
Bulgaria	–	2	–	–	2
Canada	–	–	–	20	20
Chile	–	–	–	–	–
China	–	3	–	1	4
Colombia	–	–	–	–	–
Cuba	–	1	–	1	2
Czech Republic	–	–	–	1	1
Denmark	–	–	–	5	5
Dominica	–	–	–	–	–
Dominican Republic	–	–	–	1	1
Ecuador	–	–	–	1	1
Egypt	–	3	–	3	6
England	–	–	289	–	289
Fiji	–	2	–	–	2
Finland	–	1	–	2	3
France	–	–	–	3	3
Germany	–	1	–	29	30
Grenada	–	–	–	–	–
Hungary	–	–	–	2	2
Iceland	–	–	–	1	1
India	–	12	–	28	40
Indonesia	–	–	–	–	–
Iran	–	–	–	1	1
Iraq	–	3	–	–	3
Ireland	–	–	64		64
Israel	–	–	–	5	5
Italy	–	–	–	3	3
Japan	–	–	–	–	–

PROVISIONAL VOCATIONAL				SPECIAL PURPOSE			
Non-app postgrad qual voc assessment	Non-app postgrad qual voc eligible	App postgrad qual voc eligible	Total	Visiting expert	Postgrad training/ experience	Locum tenens	Total
–	–	–	–	2	–	4	6
–	–	–	–	–	–	1	1
–	–	–	–	–	1	–	1
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	2	10	12
–	–	–	–	–	1	–	1
–	–	–	–	–	–	–	–
–	–	–	–	–	–	1	1
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	1	–	–	1
–	–	–	–	–	–	1	1
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	2	–	2	–	–	2	2
8	18	–	26	2	–	17	19
–	–	–	–	–	1	–	1
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
5	4	2	11	–	–	3	3
–	–	–	–	–	–	1	1
1	–	–	1	–	–	–	–
0	–	–	–	–	–	–	–
5	4	–	9	1	9	4	14
–	–	–	–	–	1	–	1
–	–	–	–	–	–	1	1
–	–	–	–	–	–	–	–
–	1	–	1	–	–	3	3
–	–	–	–	–	–	–	–
1	–	–	1	–	–	–	–
–	–	–	–	1	–	1	2

Continued...

PROVISIONAL GENERAL					
Country	**New Zealand / Australian graduates**	**Exams**	**Competent authority**	**Comparable health system**	**Total**
Kenya	–	1	–	–	1
Malaysia	–	1	–	–	1
Malta	–	–	–	–	–
Mexico	–	–	–	1	1
Myanmar	–	–	–	1	1
Nepal	–	1	–	–	1
Netherlands	–	–	–	9	9
Nigeria	–	1	–	6	7
Northern Ireland	–	–	9	–	9
Norway	–	–	–	2	2
Pakistan	–	9	–	5	14
Philippines	–	2	–	–	2
Poland	–	1	–	5	6
Puerto Rico	–	–	–	1	1
Romania	–	–	–	1	1
Russia	–	1	–	3	4
Scotland	–	–	85	–	85
Singapore	–	–	–	3	3
Slovakia	–	–	–	2	2
South Africa	–	1	–	3	4
Spain	–	–	–	2	2
Sri Lanka	–	6	–	–	6
Sudan	–	2	–	3	5
Sweden	–	–	–	18	18
Switzerland	–	–	–	2	2
Thailand	–	–	–	–	–
Trinidad and Tobago	–	–	–	–	–
Turkey	–	–	–	–	–
Uganda	–	–	–	–	–
Ukraine	–	2	–	–	2
United States of America	–	–	–	124	124
Uruguay	–	–	–	1	1
Wales	–	–	33	–	33
Zambia	–	1	–	–	1
Zimbabwe	–	–	–	–	–
New Zealand	343	–	–	–	343
TOTAL	**345**	**57**	**480**	**310**	**1,192**

PROVISIONAL VOCATIONAL				SPECIAL PURPOSE			
Non-app postgrad qual voc assessment	Non-app postgrad qual voc eligible	App postgrad qual voc eligible	Total	Visiting expert	Postgrad training/ experience	Locum tenens	Total
–	–	–	–	–	1	–	1
–	1	–	1	–	–	–	–
1	–	–	1	–	–	1	1
–	1	–	1	–	–	3	3
–	–	–	–	–	–	1	1
–	–	–	–	–	–	–	–
1	–	–	1	–	–	–	–
–	–	–	–	–	–	–	–
2	1	–	3	–	–	2	2
1	–	–	1	–	–	–	–
–	–	–	–	–	1	1	2
–	–	–	–	–	–	–	–
2	–	–	2	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
3	6	–	9	–	–	10	10
–	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–
8	7	–	15	–	–	16	16
0	–	–	–	–	–	–	–
2	–	–	2	–	3	1	4
0	–	–	–	–	–	–	–
5	1	–	6	–	–	–	–
–	–	–	–	–	–	–	–
–	–	–	–	–	–	1	1
–	–	–	–	–	1	–	1
1	–	–	1	–	–	–	–
1	1	–	2	–	–	–	–
–	–	–	–	–	–	–	–
11	9	1	21	1	12	78	91
–	–	–	–	–	–	–	–
–	1	–	1	–	–	–	–
–	–	–	–	–	–	–	–
1	–	–	1	–	–	2	2
2	2	–	4	1	–	–	1
61	**59**	**3**	**123**	**9**	**33**	**165**	**207**

6.

VOCATIONAL SCOPES GRANTED TO DOCTORS, BY VOCATIONAL SCOPE

1 July 2009–30 June 2010

Vocational scope	New Zealand	Overseas	Total
Accident and medical practice	3	1	4
Anaesthesia	18	23	41
Cardiothoracic surgery	–	1	1
Dermatology	3	1	4
Diagnostic and interventional radiology	11	3	14
Emergency medicine	8	10	18
Family planning and reproductive health	–	1	1
General practice	68	76	144
General surgery	9	4	13
Intensive care medicine	4	2	6
Internal medicine	25	22	47
Medical administration	–	1	1
Musculoskeletal medicine	–	3	3
Neurosurgery	–	1	1
Obstetrics and gynaecology	3	13	16
Occupational medicine	1	2	3
Ophthalmology	4	5	9
Oral and maxillofacial surgery	–	1	1
Orthopaedic surgery	14	5	19
Otolaryngology, head and neck surgery	3	–	3
Paediatrics	20	8	28
Palliative medicine	1	2	3
Pathology	8	11	19
Plastic and reconstructive surgery	4	2	6
Psychiatry	13	30	43
Public health medicine	7	3	10
Radiation oncology	1	5	6
Rehabilitation medicine	1	1	2
Rural hospital medicine	7	8	15
Sexual health medicine	–	1	1
Sports medicine	1	–	1
Urology	2	–	2
Vascular surgery	3	–	3
Total	**242**	**246**	**488**

7.

OUTCOMES OF VOCATIONAL ASSESSMENTS

1 July 2009–30 June 2010

Branch	Incomplete applications	Pending (at College/ Council)	Withdrawn/ lapsed	Vocational scope	Vocational eligible	Vocational assessment	NZREX	Total
Anaesthesia	25	16	2	–	10	16	2	71
Cardiothoracic surgery	1	–	–	–	1	–	–	2
Clinical genetics	–	1	–	–	–	–	–	1
Dermatology	1	1	–	–	1	–	–	3
Diagnostic and interventional radiology	7	5	–	–	8	6	1	27
Emergency medicine	3	2	2	–	1	11	–	19
Family plannings and reproductive health	–	–	1	1	–	–	–	2
General practice	6	–	2	–	3	2	1	14
General surgery	5	3	1	1	2	7	1	20
Internal medicine	16	6	7	2	14	16	1	62
Medical administration	–	1	–	–	–	–	–	1
Musculoskeletal medicine	–	–	1	–	–	–	–	1
Neurosurgery	1	1	–	–	–	2	–	4
Obstetrics and gynaecology	8	8	4	–	7	2	–	29
Occupational medicine	1	–	–	–	1	–	–	2
Ophthalmology	8	2	1	–	2	–	–	13
Oral and maxillofacial surgery	–	–	–	–	1	–	–	1
Orthopaedic surgery	3	2	–	1	–	4	–	10
Otolaryngology, head and neck surgery	2	1	1	–	2	–	–	6
Paediatric surgery	–	–	–	–	1	–	–	1
Paediatrics	4	1	1	–	6	2	1	15
Palliative medicine	2	–	–	–	–	–	–	2
Pathology	4	2	2	–	8	1	1	18
Plastic and reconstructive surgery	–	–	–	–	2	2	–	4
Psychiatry	19	14	5	–	16	15	–	69
Public health medicine	–	–	–	–	2	–	–	2
Radiation oncology	–	–	1	–	2	1	–	4
Rehabilitation medicine	1	–	–	–	–	–	–	1
Urology	–	1	1	–	–	1	–	3
Vascular surgery	–	–	–	–	–	1	–	1
TOTAL	**117**	**67**	**32**	**5**	**90**	**89**	**8**	**408**
Percentages based on total number of outcomes				2.6%	46.9%	46.4%	4.2%	

8.

DOCTORS ON THE NEW ZEALAND MEDICAL REGISTER, BY COUNTRY OF PRIMARY QUALIFICATION

As at 30 June 2010

	Provisional general	General	Provisional vocational	Vocational	Special purpose	Total	Number with practising certificates
England	758	768	28	1,006	17	2,577	1,607
South Africa	74	342	27	640	13	1,096	792
Scotland	238	250	7	277	7	779	476
Australia	5	465	2	243	7	722	313
India	104	218	16	270	25	633	440
United States of America	341	39	28	138	76	622	277
Sri Lanka	11	97	2	170	30	310	174
Ireland	148	80	3	55	2	288	122
Germany	87	53	19	68	2	229	160
Canada	84	23	1	49	8	165	62
Wales	66	53	1	44	–	164	91
Iraq	6	84	–	70	–	160	106
Bangladesh	3	71	–	37	1	112	74
China	6	37	1	46	–	90	71
Netherlands	47	16	2	22	–	87	51
Pakistan	24	37	–	23	2	86	59
Egypt	10	35	2	35	1	83	56
Northern Ireland	28	18	2	22	1	71	36
Fiji	3	14	–	41	5	63	55
Sweden	34	6	8	7	–	55	27
Philippines	4	30	2	13	2	51	36
Yugoslavia, Federal Republic of	1	21	1	21	–	44	27
Russia	7	25	–	10	1	43	36
Zimbabwe	1	8	2	27	1	39	35
Poland	11	10	2	10	–	33	16
Singapore	6	1	–	22	1	30	20
Nigeria	17	6	1	4	–	28	21
Myanmar	4	9	–	10	2	25	19
Romania	3	8	1	11	–	23	17
Italy	10	4	1	5	–	20	15
Denmark	12	2	–	5	–	19	9
Belgium	10	5	–	3	–	18	9

Continued...

	Provisional general	General	Provisional vocational	Vocational	Special purpose	Total	Number with practising certificates
Hungary	7	5	1	4	–	17	12
Croatia	1	7	–	8	–	16	11
Austria	13	1	–	–	1	15	9
Switzerland	6	2	1	6	–	15	8
Ukraine	3	10	–	2	–	15	14
Malaysia	1	5	1	5	2	14	9
Bulgaria	2	4	–	6	–	12	10
Czech Republic	2	6	–	4	–	12	9
France	6	1	–	4	–	11	8
Iran	1	4	1	4	1	11	5
Zambia	3	5	–	3	–	11	9
Norway	2	2	2	4	–	10	8
Mexico	2	–	1	4	2	9	4
Papua New Guniea	–	1	–	8	–	9	9
Spain	4	2	–	3	–	9	7
Sudan	6	2	–	1	–	9	9
Brazil	4	1	–	2	1	8	2
Finland	6	–	1	1	–	8	5
Former Yugoslav Republic of Macedonia	–	5	–	2	–	7	5
Kenya	2	2	–	2	1	7	5
Syria	2	5	–	–	–	7	5
Other	41	42	7	38	10	138	93
New Zealand	378	4,087	1	4,984	1	9,451	7,433
TOTAL	**2,655**	**7,034**	**175**	**8,499**	**223**	**18,586**	**12,998**

EXAMINATIONS

Principal activity: ensuring that international medical graduates who wish to be registered in New Zealand are safe to practise

Total cost: $ 105,751

NEW ZEALAND REGISTRATION EXAMINATION – NZREX CLINICAL

New Zealand's health system requires all doctors to meet practice standards defined by the Council. Doctors qualified outside New Zealand and Australia must pass the Council's medical registration exam, NZREX Clinical, if they wish to be registered but do not satisfy the criteria for other registration pathways. This examination is set at the level of sixth-year medical studies.

NZREX Clinical is a 16-station Objective Structured Clinical Examination (OSCE) that tests various competencies including communication, history taking, and physical examination.

The prerequisites for applying to sit NZREX Clinical are:

- a medical degree listed in the AVICENNA Directory of Medical Schools
- an overall score of 7.5 in the International English Language Testing System (IELTS) (if the applicant sat IELTS before 1 February 2009) or a minimum of 7.5 in Speaking and Listening and a minimum of 7.0 in Reading and Writing (if the applicant sat IELTS after 1 February 2009)
- a satisfactory result in the United States Medical Licensing Examination (USMLE) Steps 1 and 2, PLAB, or the Australian Medical Council multiple-choice question examination.

During the year, 108 candidates from 28 countries sat NZREX Clinical, and 57 passed (see Table 9). Of these, 45 candidates passed on their first attempt, 11 on their second, and 1 candidate passed on their fourth attempt.

9.

CANDIDATES SITTING AND PASSING NZREX CLINICAL

1 July 2009–30 June 2010

	Number sitting	Attempts					Number of passes	Passes on attempts				
Country		**1**	**2**	**3**	**4**	**5**		**1**	**2**	**3**	**4**	**5**
Afghanistan	1	1	–	–	–	–	–	–	–	–	–	–
Argentina	1	1	–	–	–	–	1	1	–	–	–	–
Bulgaria	2	2	–	–	–	–	2	2	–	–	–	–
China	4	3	1	–	–	–	3	2	1	–	–	–
Cuba	1	1	–	–	–	–	1	1	–	–	–	–
Dominican Republic	2	1	1	–	–	–	1	1	–	–	–	–
Egypt	5	3	2	–	–	–	4	2	2	–	–	–
Fiji	6	3	2	1	–	–	1	1	–	–	–	–
Finland	1	1	–	–	–	–	1	1	–	–	–	–
Georgia	3	1	1	1	–	–	1	1	–	–	–	–
Germany	2	2	–	–	–		2	2	–	–	–	–
India	26	19	5	1	–	1	11	9	2	–	–	–
Iraq	5	4	1	–	–	–	4	3	1	–	–	–
Japan	1	1	–	–	–	–	–	–	–	–	–	–
Kenya	1	1	–	–	–	–	1	1	–	–	–	–
Korea	1	–	1	–	–	–	–	–	–	–	–	–
Nepal	4	3	1	–	–	–	1	1	–	–	–	–
Nigeria	3	2	1	–	–	–	1	1	–	–	–	–
Pakistan	17	11	6	–	–	–	7	4	3	–	–	–
Papua New Guinea	1	–	1	–	–	–	–	–	–	–	–	–
Philippines	5	3	–	1	1	–	4	3	–	–	1	–
Romania	2	1	1	–	–	–	1	–	1	–	–	–
Russia	2	1	1	–	–	–	1	–	1	–	–	–
Slovakia	1	1	–	–	–	–	–	–	–	–	–	–
Sri Lanka	6	6	–	–	–	–	4	4	–	–	–	–
Sudan	2	2	–	–	–	–	2	2	–	–	–	–
Ukraine	2	2	–	–	–	–	2	2	–	–	–	–
Zambia	1	1	–	–	–	–	1	1	–	–	–	–
TOTAL	**108**	**77**	**25**	**4**	**1**	**1**	**57**	**45**	**11**	–	**1**	**–**

PROFESSIONAL STANDARDS

Principal activities: undertaking performance assessments (previously called competence reviews) and establishing educational programmes, developing policy on performance assessments, monitoring doctors who are subject to conditions arising from disciplinary action

Total cost: $ 1,194,229

THE COUNCIL SEEKS TO IMPLEMENT MECHANISMS TO ENSURE DOCTORS ARE COMPETENT TO PRACTISE.

The Council referred 43 doctors to the performance assessment process (see Table 10) and nine went on to take part in educational programmes. Doctors were referred to the Council, primarily by the Health and Disability Commissioner (HDC), because of concerns about clinical skills, record keeping, communication, or prescribing.

More information about the performance process can be found on our website at

www.mcnz.org.nz>>Competence.

10.

PERFORMANCE REFERRALS

1 July 2009–30 June 2010

Source of referral	Number
Accident Compensation Corporation	2
Complaints assessment/professional conduct committee	-
Employer	7
Health and Disability Commissioner	22
Medical Council of New Zealand	2
Medsafe	-
Peer	2
Public	–
Other	6
Medical Practitioners Disciplinary Tribunal	2
Total referrals	**43**
Type of concern	
Boundaries	2
Clinical skills	14
Communication	17
Prescribing	9
Records	15
Surgical skills	5
Other	8
Outcomes of performance referrals (may relate to cases referred in the previous financial year; in some cases no further action was taken)	
To performance assessment	21
No performance assessment	19
To educational programme	9
Referred to other committee (eg, health)	3

COMPLAINTS

Principal activity: operating professional conduct committees (PCCs) – to consider complaints and policy on the complaints assessment process

Total cost of PCCs: $ 741,325

Complaints about doctors can be made to either the Council or the Health and Disability Commissioner (HDC), but all complaints must be referred to the HDC for his consideration. The HDC may refer complaints back to the Council. The Council must then promptly assess the complaint and consider what action, if any, should be taken, including possibly referring the complaint to a Professsional conduct commitee. The HDC must notify the Council of any investigation under the Health and Disability Commissioner Act 1994 that directly involves a doctor. See Table 11 for information about PCCs.

Twenty three new PCCs were appointed between 1 July 2009 and 30 June 2010.

11.

SCHEDULE OF PROFESSIONAL CONDUCT COMMITTEES

1 July 2009–30 June 2010

Categories of complaints sent to PCC	
– convicted of an offence	9
– inappropriate conduct	14

TRIBUNALS

Principal activities: both the Medical Practitioners Disciplinary Tribunal and the Health Practitioners Disciplinary Tribunal hear and determine disciplinary proceedings brought against doctors under Part VIII of the Medical Practitioners Act 1995 and under Part 4 of the Health Practitioners Competence Assurance Act 2003.

Medical Practitioners Disciplinary Tribunal

1 July 2009–30 June 2010

Total cost: 79,941

The Medical Practitioners Disciplinary Tribunal (MPDT) is yet to complete hearing a charge received before the establishment of the Health Practitioners Disciplinary Tribunal.

One charge from 2002 is yet to be completed from a complaints assessment committee. The Tribunal sat to hear this charge over 4 days in November 2009. A penalty decision remains outstanding. Once completed, the MPDT will cease to function.

MEDICAL CHARGES BEFORE THE HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL

Total cost: $ 183,445

During the year the Health Practitioners Disciplinary Tribunal (HPDT) received thirteen charges relating to ten doctors — all charges were received from professional conduct committees. No charges were received from the director of proceedings.

The HPDT sat during the year to hear five charges relating to five doctors over 9 days. Two of these charges were received in the 2008/2009 year and three in the 2009/2010 year.

MEDICAL CHARGES BEFORE THE HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL

1 July 2009–30 June 2010

Nature of charges	
Professional misconduct 2008/2009	2
Professional misconduct 2009/2010	8
Conviction 2009/2010	5
Total	**15**
Source	
Prosecution of charges brought by professional conduct committee 2008/2009	1
Prosecution of charges brought by director of proceedings 2008/2009	1
Prosecution of charges brought by professional conduct committees 2009/2010	3
Charges brought by professional conduct committees yet to be heard	10
Total	**15**
Outcome of hearings	
Guilty - professional misconduct 2008/2009	2
Guilty – professional misconduct 2009/2010	1
Guilty – conviction 2009/2010	2
Yet to be heard	10
Total	**15**

Further information about these statistics can be found on the Tribunal's website www.hpdt.org.nz or www.mpdt.org.nz

MEDICAL WORKFORCE SURVEY

Each year the Council collects workforce data through the practising certificate (PC) application process. The data is used by the New Zealand Health Information Service to analyse workforce needs.

Total cost: $ 244,853

12.

CHANGES IN THE MEDICAL WORKFORCE

	Active doctors					Percentage Change
Workforce role	**2005**	**2006**	**2007**	**2008**	**2009**	**2008-2009**
General practice	2,924	3,106	3,195	3,435	3,541	3.1
House officer	811	911	841	891	970	8.9
Medical officer	307	329	363	411	500	21.7
Primary care other than GP	157	181	203	172	150	-12.8
Registrar	1,365	1,504	1,529	1,653	1,689	2.2
Specialist	2,940	3,175	3,359	3,713	3,879	4.5
Other	207	248	237	237	275	16.0
Unknown	35	93	30	40	159	297.5
Total	**8,746**	**9,547**	**9,757**	**10,552**	**11,164**	**5.8**

CORPORATE GOVERNANCE

Role of Council: members of Council set the strategic direction of the organisation, monitor management performance, and ensure the Council meets the requirements of the Health Practitioners Competence Assurance Act 2003

The Council is accountable for its performance to the Minister of Health, the medical profession, and the public.

COUNCIL MEMBERSHIP

The Council aims to have members who represent:

- a range of age, gender, and ethnic groups
- a broad mix of the medical profession, New Zealand society as a whole, and people with a wide general knowledge and breadth of vision, and who also have one of the following:
  - broad health sector knowledge
  - experience in one of the main vocational scopes of practice
  - experience in health service delivery in a variety of provincial and tertiary settings
  - experience in medical education and assessment.

STAKEHOLDER LIAISON

We have continued to be actively involved with registration bodies overseas. We share ideas for future developments and maintain contact with organisations including:

- Australian registration boards
- the International Association of Medical Regulatory Authorities
- the Federation of State Medical Boards and the Educational Commission for Foreign Medical Graduates (United States of America)
- the Medical Council of Canada
- the General Medical Council (United Kingdom).

As in previous years, the Council has had regular meetings with key stakeholders to discuss matters of mutual interest. Those stakeholders include:

- the Accident Compensation Corporation
- branch advisory bodies
- chief medical advisers of district health boards
- the Council of Medical Colleges
- District Health Boards New Zealand
- the Health and Disability Commissioner
- the Independent Practitioners Association Council of New Zealand
- the Medical Protection Society
- Medicines Control
- the Minister of Health
- the Ministry of Health
- the New Zealand Medical Association
- members of the profession, medical students, and community groups.

COUNCIL COMMITTEE STRUCTURE

The Council operates three standing committees: Audit, Health and Education. Members of these committees are listed on page 42. The Council receives committee meeting minutes at its formal meetings and, in approving those minutes, confirms the decisions made. Delegation limits are established.

COUNCIL COMMITTEES

COUNCIL STANDING COMMITTEES AT 30 JUNE 2010

AUDIT COMMITTEE

Ms Liz Hird (Chairperson)
Dr John Adams
Dr Andrew Connolly
Dr Jonathan Fox
Ms Judith Fyfe

EDUCATION COMMITTEE – COUNCIL MEMBERS

Dr Allen Fraser (Chairperson)
Dr John Adams
Dr Rick Acland
Dr Andrew Connolly
Ms Judith Fyfe
Ms Liz Hird

EDUCATION COMMITTEE – MEMBERS APPOINTED BY COUNCIL

Associate Professor Jennifer Weller
Selected from vocational branch nominees – The Royal Australian and New Zealand College of Obstetricians and Gynaecologists

Dr Alexandra Greig
Active consumer of education

Professor Peter Ellis
Medical Council of New Zealand representative of Medical Schools Accreditation Committee

Dr Tom Fiddes
Nominee of appropriate College or branch advisory body – The Royal Australian and New Zealand College of Obstetricians and Gynaecologists

Dr Lorna Martin
Nominee of appropriate College or branch advisory body – The Royal New Zealand College of General Practitioners

Dr James Moore
Active consumer of education

Dr Iwona Stolarek
Intern supervisor

HEALTH COMMITTEE

Dr Kate O'Connor (Chairperson)
Dr John Adams
Dr Jonathan Fox
Dr Allen Fraser
Mrs Heather Thomson
Alternate layperson: Ms Laura Mueller

FINANCE

MARKHAMS | MILLER DEAN

AUDIT

AUDIT REPORT

To the Readers of the Financial Statements of the Medical Council of New Zealand for the year ended 30 June 2010

The Auditor-General is the auditor of the Medical Council of New Zealand (the "Council"). The Auditor-General has appointed me, John Little, using the staff and resources of Markhams Miller Dean Audit to carry out the audit of the financial statements of the Council, on his behalf, for the year ended 30 June 2010.

Unqualified Opinion

In our opinion:

The attached financial statements of the Council:

- comply with generally accepted accounting practice in New Zealand;
- comply with New Zealand Equivalents to International Financial Reporting Standards, and;
- fairly reflect the Council's financial position as at 30 June 2010, and the results of its operations and cash flows for the year ended on that date.

The audit was completed on 2 November 2010 and is the date at which our opinion is expressed.

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

Basis of Audit Opinion

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

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

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

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

Audit procedures generally include:

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

- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

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

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

Responsibilities of the Council and the Auditor

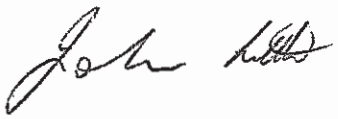
The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Council as at 30 June 2010. They must also fairly reflect the results of its operations and cash flows for the year ended on that date. The Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.

Independence

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

Other than the audit, we have no relationship with or interests in the Medical Council of New Zealand.



John Little

Markhams Miller Dean Audit
On behalf of the Auditor-General
Wellington, New Zealand

MEDICAL COUNCIL OF NEW ZEALAND

Statement of financial position as at 30 June 2010

	Notes	2010	2009
Current assets			
Petty cash		200	200
Bank accounts		950,796	919,699
GST	7	141,337	40,508
Receivables	1(g), 7	149,928	153,135
Interest accrued		78,171	353,955
Investments	8	3,767,783	4,696,915
Total current assets		**$5,088,215**	**$6,164,412**
Term assets			
Receivables	1(g), 7	76,105	101,130
Property, plant and equipment	1(c), 9	554,944	624,021
Intangibles	9	3,414,674	2,713,681
Total term assets		**$4,045,723**	**$3,438,832**
Current liabilities			
Sundry creditors		776,426	1,149,985
Employee entitlements	1(k)	300,874	263,440
Payments received in advance	1(j)	155,645	170,934
Total current liabilities		**$1,232,945**	**$1,584,359**
Term liabilities			
Employee entitlements	1(k)	82,402	84,321
TOTAL NET ASSETs		**$7,818,591**	**$7,934,564**
CAPITAL ACCOUNT			
General Fund		6,707,091	6,930,614
Complaints Investigation and Prosecution Fund		768,238	766,439
Examination Fund		343,262	237,511
Total capital account		**$7,818,591**	**$7,934,564**

John Adams
Chairperson
Dated: 02/11/2010

Philip Pigou
Chief Executive
Dated: 02/11/2010

The accompanying notes form part of these financial statements

MEDICAL COUNCIL OF NEW ZEALAND

Consolidated statement of financial performance for the year ended 30 June 2010

	Notes	2010	2009
Income			
Fees received	1(a), 1(j)	8,822,916	7,439,294
Interest received		285,188	575,825
Other income		396,153	479,237
		$9,504,257	**$8,494,356**
Expenditure			
Audit fees		21,584	20,961
Depreciation	1(b), 9	333,327	198,466
Fees paid to members of Council and standing committees		517,573	510,028
Other administrative costs		8,353,363	8,356,871
Rent		394,383	414,117
		$9,620,230	**$9,500,443**
Net surplus / (deficit) for year		**($115,973)**	**($1,006,087)**

The accompanying notes form part of these financial statements

MEDICAL COUNCIL OF NEW ZEALAND

Statement of movements in equity for the year ended 30 June 2010

	Notes	2010	2009
A) ACCUMULATED FUNDS AND RESERVES			
Balance at 30 June 2009		7,934,564	8,940,651
Deduct (deficit)		(115,973)	(1,006,087)
Balance at 30 June 2010		$7,818,591	$7,934,564
B) ANALYSIS OF INDIVIDUAL FUNDS			
1) General Fund			
Balance at 30 June 2009		6,930,614	7,051,202
Deduct (deficit)	2	(223,523)	(120,588)
Balance at 30 June 2010		$6,707,091	$6,930,614
2) COMPLAINTS INVESTIGATION AND PROSECUTION FUND			
Balance at 30 June 2009		766,439	1,863,609
Deduct (deficit)		0	(1,097,170)
Add surplus	3	1,799	0
Balance at 30 June 2010		$768,238	$766,439
3) EXAMINATION FUND			
Balance at 30 June 2009		237,511	25,840
Add surplus	4	105,751	211,671
Balance at 30 June 2010		$343,262	$237,511

The accompanying notes form part of these financial statements

MEDICAL COUNCIL OF NEW ZEALAND

Statement of cash flows for the year ended 30 June 2010

	Notes	2010	2009
Cash flows from statutory functions			
Cash was provided from:			
Receipts pertaining to statutory functions		9,441,164	8,018,898
Cash was also distributed to:			
Council fees, disbursements and office expenses		(9,934,928)	(9,311,297)
Net cash flows from statutory functions	11	(493,764)	(1,292,399)
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Interest received		560,972	651,869
Sale of assets		0	0
Short-term investments		929,132	3,230,874
		1,490,104	3,882,743
Cash was applied to:			
Purchase of assets		(965,243)	(1,922,963)
Short-term investments		0	0
		(965,243)	(1,922,963)
Net cash flows from investing activities		524,861	1,959,780
NET INCREASE / (DECREASE) IN CASH HELD		**31,097**	**667,381**
Opening cash brought forward		919,899	252,518
ENDING CASH CARRIED FORWARD		$950,996	$919,899
Represented by:			
Petty cash		200	200
ANZ bank account		950,796	919,699
		$950,996	$919,899

The accompanying notes form part of these financial statements

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MEDICAL COUNCIL OF NEW ZEALAND

Notes to and forming part of the financial statements for the year ended 30 June 2010

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The Medical Council of New Zealand is a statutory body constituted under the Health Practitioners Competence Assurance Act 2003.

I. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the New Zealand equivalent to the International Financial Reporting Standards (NZ IFRS) and in accordance with Generally Accepted Accounting Practice in New Zealand (NZGAAP).

The Council is a public benefit entity.

II. BASIS OF PREPARATION

The financial statements are presented in New Zealand dollars. They are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: nil.

The preparation of financial statements in conformity with NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

GENERAL ACCOUNTING POLICIES

These financial statements are a general purpose financial report as defined in the New Zealand Institute of Chartered Accountants Statement of Concepts and have been prepared in accordance with NZ IFRS.

MEASUREMENT BASE

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Council.

SPECIFIC ACCOUNTING POLICIES

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

(a) **Revenue** – Practising certificate (PC) revenue is recognised in total in the year in which it is charged.

(b) **Depreciation** – Property, plant and equipment have been depreciated on a straight line basis at the following rates:

Furniture and fittings	10%pa
Office alterations	10%pa
Office equipment	20%pa
Computer hardware	33%pa
Computer software	10% and 33%pa

(c) **Property, plant and equipment** – is shown at cost less accumulated depreciation (Note 9).

(d) **Goods and services tax** – These financial statements have been prepared on a GST exclusive basis except for receivables and sundry creditors which include GST.

(e) **Fines and costs recovered** – Fines and recovery of legal costs (which occur infrequently) have been accounted for on an accrual basis.

(f) **Income tax** – The Council is not subject to income tax (Note 6).

(g) **Receivables** – Receivables are valued at the amount expected to be realised.

(h) **Administration charge** – This is a levy on the Complaints Investigation and Prosecution Fund and the Examination Fund to meet overhead costs incurred by the General Fund. The charge is based on the proportion of staff engaged in the activity.

(i) **Interest received** – Interest owing at balance date has been accrued.

(j) **Payments received in advance** – Doctors who have received their training overseas and who are seeking registration in New Zealand pay a fee for documentation review and an interview process with the appropriate College. Once the process is complete the money is either paid to the College or refunded to the doctor if the application does not proceed or an interview is not required.

(k) **Salaries, holiday pay accrual, long service leave and sick leave** – An accrual is made for any salaries relating to the subsequent financial period. Holiday pay owing at balance date is valued at the applicable salary rate applying at the date of valuation. Long service leave is valued at the salary rate applicable at valuation date and discounted on an actuarial basis recognising the probability that the employee will reach entitlement as well as discounting for expected inflation and expected salary increases. Sick leave is valued at the current salary rate at valuation date and based on the historical usage in excess of the annual entitlement.

(l) **Leases** – The Council leases the property occupied at 139–143 Willis Street. The value of the lease to the first right of renewal is recognised in the statement of commitments at the current negotiated value of the annual lease.

(m) **Software development** – The external costs for the development of registration software is capitalised and disclosed as an intangible asset in the statement of financial position. All internal staff costs associated with this development are expensed in the statement of financial performance.

(n) **Provisions** – A provision is made for the amount of accounts receivable that are expected not to be received. This provision is created by reviewing all outstanding amounts at the end of the year and assessing the likelihood of payment.

(o) **Impairment** – Asset carrying values are reviewed at the end of each year to determine whether there is any indication that the assets have suffered an impairment loss or increase in fair value. If any such indication exists, the fair value of the asset is estimated in order to determine the extent of the impairment loss or gain. No changes in carrying value were assessed.

(p) **Statement of cash flows**
'Cash' refers to amounts held in banks, net of bank overdraft. It also includes short-term deposits held as part of day-to-day cash management.

'Operating activities' are amounts received for the supply of services by the Council, and payments made to employees and suppliers necessary to support those services. Operating activities also include any transactions or events that are not investing or financing activities.

'Investing activities' are the acquisition, holding and disposal of property, plant and equipment and investments.

'Investments' include securities not falling within the definition of cash.

'Financing activities' are the receipt and repayment of the principal on borrowings.

CHANGES IN ACCOUNTING POLICIES

There have been no material changes in accounting policies during the year and the accounting policies have been applied on bases consistent with those used in the previous year.

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GENERAL FUND

Statement of financial performance for the year ended 30 June 2010

	Notes	2010	2009
REVENUE			
Practising certificates and other fees	1(a)	7,121,345	6,370,902
Administration fee - Complaints Investigation and Prosecution Fund	1(h)	408,364	571,766
Administration fee - Examination Fund	1(h)	39,167	12,498
Interest received		215,797	454,330
Workforce survey and other income		61,565	268,044
TOTAL REVENUE		**$7,846,238**	**$7,677,540**
ADMINISTRATION AND OPERATING EXPENSES			
Communications		158,469	249,719
Council election		0	33,631
Legal expenses and other consultancies		244,354	273,633
Administration and operating expenses		1,882,055	1,453,111
Staff costs including recruitment and training		4,126,922	4,054,988
TOTAL ADMINISTRATION AND OPERATING EXPENSES		**$6,411,800**	**$6,065,082**

Continued...

	NOTES	2010	2009
COUNCIL AND COMMITTEE EXPENSES			
Council			
- Fees and expenses		496,709	490,487
- Conference and liaison costs		87,900	70,494
- Strategic directions		70,182	65,992
Audit committee			
- Fees and expenses		5,843	8,606
Health committee			
- Fees and expenses		49,743	53,716
- Independent assessment reports, Doctors' Health Advisory Service, other costs		143,482	153,543
Issues committee			
- Fees and expenses		0	13,238
- Issues initiatives		2,293	6,513
Education committee			
- Fees and expenses		56,884	57,441
- Hospital visits, intern supervisor contracts, and other costs		382,676	277,348
Professional standards			
- Performance assessments and other costs		279,632	409,877
Registration			
- Workshops and other costs		82,617	125,791
TOTAL COUNCIL AND COMMITTEE EXPENSES		**$1,657,961**	**$1,733,046**
TOTAL EXPENDITURE		**$8,069,761**	**$7,798,128**
NET (DEFICIT) FOR YEAR		**($223,523)**	**($120,588)**

3

COMPLAINTS INVESTIGATION AND PROSECUTION FUND

Statement of financial performance for the year ended 30 June 2010

	Notes	2010	2009
REVENUE			
Disciplinary levy received	1(a)	1,411,571	795,059
Fines and costs recovered		239,899	69,974
Interest received		57,385	121,495
Other revenue		91,800	100,219
TOTAL REVENUE		**$1,800,655**	**$1,086,747**
ADMINISTRATION AND OPERATING EXPENSES			
Administration fee	1(h)	408,364	571,766
General administration and operating expenses		361,990	363,608
TOTAL ADMINISTRATION AND OPERATING EXPENSES		**$770,354**	**$935,374**
COUNCIL AND TRIBUNAL EXPENSES			
Complaints assessment committee costs			
- Fees		105	0
- Expenses		20,511	91,626
Total complaints assessment committee costs		20,616	91,626
Professional conduct committee costs			
- Fees		164,609	169,064
- Expenses		576,716	645,958
Total professional conduct committee costs		**741,325**	**815,022**
Medical Practitioners Disciplinary Tribunal			
- Fees and other hearing expenses		83,116	21,741
Total Medical Practitioners Disciplinary Tribunal costs		83,116	21,741
Health Practitioners Disciplinary Tribunal			
- Administration fee		76,025	152,880
- Fees and other hearing expenses		107,420	167,274
Total Health Practitioners Disciplinary Tribunal costs		183,445	320,154
TOTAL COUNCIL AND TRIBUNAL EXPENSES		**$1,028,502**	**$1,248,543**
TOTAL EXPENDITURE		**$1,798,856**	**$2,183,917**
NET SURPLUS/(DEFICIT) FOR YEAR		**$1,799**	**($1,097,170)**

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NEW ZEALAND REGISTRATION EXAMINATION FUND

Statement of financial performance for the year ended 30 June 2010

	Notes	2010	2009
REVENUE			
NZREX candidate fees	1(j), 4a	290,000	273,333
Interest received		12,006	0
Other income		2,889	41,000
TOTAL REVENUE		**$304,895**	**$314,333**
ADMINISTRATION AND OPERATING EXPENSES			
Administration fee	1(h)	39,167	12,498
Centre costs		58,714	32,162
Examiners' fees and expenses		58,443	46,903
Honorarium, staff costs, and other administrative expenses		38,117	11,099
Examination review costs		4,703	0
TOTAL ADMINISTRATION AND OPERATING EXPENSES		**$199,144**	**$102,662**
NET SURPLUS FOR YEAR		**$105,751**	**$211,671**

4a.

In the prior year, income of $83,333 was recorded as revenue but which related to examinations held during the current year. The matching concept (which has been applied this year) results in the current year being understated by this amount.

The prior year figure is also understated by $6,667. Prior year figures have not been adjusted as it is considered this would not provide any additional meaningful information.

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GENERAL FUND

These output categories represent the main activities of the General Fund and are discussed in detail in the text of the annual report.

Statement of financial performance by outputs for the year ended 30 June 2010

	Notes	2010	2009
TOTAL INCOME FOR YEAR	1(a), 1(j)	$7,846,238	$7,677,539
Less expenditure			
EDUCATION			
Administration and operating costs		276,224	383,106
Council and committee costs		56,884	57,452
Hospital accreditation visits		63,523	55,954
Intern supervisor contract payments and meeting costs		316,160	203,838
Accreditation of vocational branches' medical schools, and colleges		2,993	8,271
Liaison and other costs		23,254	27,533
TOTAL EDUCATION COSTS		**$739,038**	**$736,154**
HEALTH			
Administration and operating costs		1,255,390	1,387,924
Council and committee costs		132,872	75,630
Independent medical assessments		105,329	133,874
Liaison and other costs		73,508	27,022
TOTAL HEALTH COSTS		**$1,567,099**	**$1,624,450**
PROFESSIONAL STANDARDS			
Administration and operating costs		827,287	801,311
Council and committee costs		68,875	0
Performance assessment costs		277,734	403,649
Liaison and other costs		20,333	30,112
TOTAL PROFESSIONAL STANDARDS COSTS		**$1,194,229**	**$1,235,072**

Continued...

	NOTES	2010	2009
REGISTRATION			
Administration and operating costs		3,879,465	3,552,658
Council and committee costs		313,423	273,685
Liaison and other costs		131,654	125,791
TOTAL REGISTRATION COSTS		**$4,324,542**	**$3,952,134**
WORKFORCE SURVEY			
Administration and operating costs		221,584	227,889
Council and committee costs		20,585	21,053
Liaison and other costs		2,684	1,375
TOTAL WORKFORCE SURVEY COSTS		**$244,853**	**$250,317**
TOTAL EXPENDITURE		**$8,069,761**	**$7,798,127**
NET (DEFICIT) FOR YEAR		**($223,523)**	**($120,588)**

6

TAXATION

The Medical Council is registered as a charity with the Charities Commission and accordingly its transactions for a charitable purpose are exempted from income tax.

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RECEIVABLES

	2010	2009
Debtors	408,839	740,237
Less provision for doubtful debts	238,030	502,264
	170,809	237,973
GST	141,337	0
Payments in advance	55,224	16,292
	$367,370	**$254,265**
Current	291,265	153,135
Term	76,105	101,130
	$367,370	**$254,265**

8

TERM DEPOSITS

	2010	2009
ANZ	0	599,977
ASB	2,267,783	0
BNZ	0	371,020
HSBC	0	806,755
National Bank	0	852,939
TSB	1,250,000	554,383
Westpac	250,000	1,511,841
	$3,767,783	**$4,696,915**
Current	3,767,783	4,696,915
Term	0	0
	$3,767,783	**$4,696,915**

9

FIXED ASSETS

9a. PROPERTY, PLANT AND EQUIPMENT

	Cost 30/06/10	Depreciation for year 30/06/10	Accummulated depreciation 30/06/10	Book value 30/06/10	Cost 30/06/09	Depreciation for year 30/06/09	Accummulation depreciation 30/06/09	Book value 30/06/09
Computer hardware	472,181	90,460	343,312	128,869	397,366	76,294	252,327	145,039
Furniture and fittings	310,800	20,481	213,874	96,926	305,630	20,583	193,394	112,236
Office alterations	653,907	65,391	393,450	260,457	653,907	65,391	328,058	325,849
Office equipment	241,510	21,534	172,817	68,693	192,179	21,815	151,282	40,897
	$1,678,397	**$197,866**	**$1,123,453**	**$554,944**	**$1,549,082**	**$184,083**	**$925,061**	**$624,021**

9a. INTANGIBLE ASSETS

	Cost 30/06/10	Depreciation for year 30/06/10	Accummulation depreciation 30/06/10	Book value 30/06/10	Cost 30/06/09	Depreciation for year 30/06/09	Accummulation depreciation 30/06/09	Book value 30/06/09
Computer software	$3,630,911	$135,461	$216,237	$3,414,674	$2,794,457	$14,383	$80,776	$2,713,681

External costs associated with the development of the new registration computer software have been included in intangible assets and depreciation has been provided from March 2010 as this was the period that the software was brought into use.

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RELATED PARTIES

The Council members are paid fees for attending to Council and Committee business. There were no other related party transactions.

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RECONCILIATION OF NET SURPLUS WITH THE NET CASH FLOW FROM STATUTORY FUNCTIONS

	2010	2009
SURPLUS / (DEFICIT) FOR YEAR		
General Fund	(223,523)	(120,588)
Complaints Investigation and Prosecution Fund	1,799	(1,097,170)
Examination Fund	105,751	211,671
	(115,973)	(1,006,087)
Add non-cash items:		
Depreciation	333,327	198,466
Over depreciated disposed fixed assets	0	(29,145)
Employee entitlements	35,515	67,899
	368,842	237,220
Add movements in working capital items:		
(Increase) / decrease in receivables and GST	(72,597)	(18,992)
Increase / (decrease) in receipts in advance	(15,289)	22,667
Increase / (decrease) in sundry creditors	(373,559)	48,618
	(461,445)	52,293
	(208,576)	(716,574)
Less items classified as investing activity – interest	(285,188)	(575,825)
NET CASH FLOWS FROM STATUTORY FUNCTIONS	**($493,764)**	**($1,292,399)**

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STATEMENT OF CONTINGENT LIABILITIES

There has not been a notice of legal proceedings lodged against the Council for damages (2009: One claim $20,000, high likelihood).

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STATEMENT OF COMMITMENTS

Lease commitments under non-cancellable operating leases;

	2010	2009
Less than one year	394,383	394,383
Between 1 and 5 years	1,511,804	1,577,532
Greater than 5 years	0	328,652
	$1,906,187	**$2,300,567**

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FINANCIAL INSTRUMENTS

Financial instruments which potentially subject the Council to credit risk consist principally of bank balances and accounts receivable. The Council places investments with recognised banking institutions within an approved reserves and investment policy to limit exposure to concentrations of credit risk.

The Council is exposed to interest rate risk as interest rate movements will affect the returns generated from investments and related cash flows. At year end the interest rates on term deposits ranged from 4.70% to 5.30% (2009: 4.50% to 9.09%).

The estimated fair values of the financial instruments are as follows:

	2010	2009
Receivables	226,033	254,265
Bank balances	4,718,579	5,616,614
Sundry creditors	($932,071)	($1,320,919)

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COUNCIL MEMBERS' FEES AND ALLOWANCES

Council members receive a daily fee for attending meetings and an hourly rate for any preparatory work for any Council or Committee meeting.

In addition a communications allowance has been approved to cover incidental costs of an internet connection, telephones calls and postage/courier charges.

	2010	2009
Attendance allowance:		
Daily	$840	$840
Hourly	$105	$105
Communication allowance:		
Quarterly	$300	$300
TOTAL FEES AND ALLOWANCES PAID TO MEMBERS	**$453,692**	**$466,753**

COUNCIL OFFICE

OFFICE OF THE COUNCIL AT 30 JUNE 2010

Chief Executive	Philip Pigou
Registrar	David Dunbar
Executive Assistant	Dot Harvey
Strategic Programme Manager	Joan Crawford

ADVISER GROUP

Communications Manager	George Symmes
IT Project Manager	John McCawe
Medical Adviser	Dr Ian Brown (p/t)
Medical Adviser	Dr Steven Lillis (p/t)
Senior Policy Analyst	Michael Thorn
Registrar Adviser	Jane Lui
Stategic Project Coordinator	James van Schie

BUSINESS SERVICES

Business Services Manager	Valencia van Dyk
Corporate Services Manager	Tony Hanna
ICT Team Leader	Bill Taylor
Information Systems Analyst	Andrew Cullen
IT Administrator	Jean Hills -Davey
EDRMS Administrator	Mark Christiansen
EDRMS Assistant	Charlotte Dewsnap
Business Analyst	Diane Latham
Office and Records Administrator	Betty Wright
Receptionist	Marika Puleitu
Finance Manager	David Low
Finance Officer	Atish Pathak
Finance Officer	Elaine Pettigrew

HEALTH

Health Manager	Lynne Urquhart
Health Administrator	Viv Coppins
Health Case Manager	Helen Arbuckle
Health Case Manager	Jo Hawken
Health Case Manager	Eva Petro
Health Case Manager	Laura Wilson

HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL SECRETARIAT

HPDT Manager	Gay Fraser
Executive Officer	Karen Crosby
Legal Officer	Kim Davies
Personal Assistant to Executive Officer	Nikita Takai

REGISTRATION

Registration Manager	Valencia van Dyk
Personal Assistant	Deborah Harrison
Registration Team Leader – APC	Gyllian Turner
APC Coordinator	Bronwyn Courtney
APC Coordinator	Sharon Mason
APC Audit Administrator	Sandra Clark
Registration Team Leader – General and special purpose	Megan Purves
Registration Coordinator – General and special purpose	Nick Everitt
Registration Coordinator – General and special purpose	Gina Giannios
Registration Coordinator – General and special purpose	Pavitra Gurumurthi
Registration Coordinator – General and special purpose	Imojini Kotelawala
Registration Coordinator – General and special purpose	Michael Horan
Registration Coordinator – General and special purpose	Dave Vige
Registration Coordinator – General and special purpose	Charlotte Wakelin
Registration Team Leader – Vocational and locum tenens	Nisha Patel
Registration Coordinator – Vocational and locum tenens	Pauline-Jean Luyten
Registration Coordinator – Vocational and locum tenens	Méabh O'Dwyer
Registration Coordinator – Vocational and locum tenens	Evelyn Fox
Registration Coordinator – Vocational and locum tenens	Caroline Jones

PROFESSIONAL STANDARDS

Professional Standards Team Leader	Mere Just
Professional Standards Coordinator	Angela Graham
Professional Standards Coordinator	Hayden Holmes
Professional Standards Coordinator	Angela Piggott
Professional Standards Coordinator	Lindsey Riley
Professional Standards Coordinator	Sidonie
Professional Standards Coordinator	Jiska Whelan

CONTACT DETAILS

SOLICITORS

Bell Gully
PO Box 1291
Wellington 6140

Buddle Findlay
PO Box 2694
Wellington 6140

BANKERS

ANZ Banking Group (New Zealand) Ltd
18–32 Manners Street
Wellington 6011

AUDITORS

Markhams Miller Dean Audit
PO Box 24324
Wellington 6142

Office of the Auditor-General
Private Box 3928
Wellington 6140

MEDICAL COUNCIL OF NEW ZEALAND

Level 13, TelTower
139 Willis Street
PO Box 11649
Wellington 6142

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