



VETERINARY COUNCIL  
OF NEW ZEALAND  
Te Kaunihera Rata Kararehe o Aotearoa

# Annual Report

for the year ended 31 December 2011



## Table of Contents

2011: The year at a glance	3
Council role and functions	4
Council membership	4
Council staff	5
From the Chair	6
From the CEO/Registrar	9
Registration	11
New Zealand National Veterinary Examination (NZNVE)	14
Professional standards	17
Veterinarians' health	19
Workforce analysis	20
Complaints, concerns and disciplinary action	22
Stakeholder relations	25
Governance	26
Finance	27
Financial statements	29
Auditor's report	37
VCNZ contact information	38

## 2011: The year at a glance

- The revised Code of Professional Conduct was finalised and published
- Introduction of the new compulsory continuing professional development (CPD) framework and publication of guidance for veterinarians
- The Council set in place formal risk management strategies
- The Council moved to an electronic agenda, leading to greater administrative efficiencies
- Longstanding Council member Professor Norm Williamson was replaced by Professor Tim Parkinson
- The number of practising veterinarians as at 30 June 2011 was 2425, a 1.4% increase on the previous year
- Of the 221 veterinarians registered during the year 113 were Massey graduates and 108 international veterinarians
- Of the 5 candidates who sat the final clinical registration examination at Massey University, 2 achieved a full pass, 1 was required to sit a supplementary examination and 2 failed
- The median age of the workforce is 43 and 43% of (full time equivalent) veterinarians are women
- Women dominate in the younger age groups with 60% of vets under 40 being female
- Twenty-eight percent of veterinarians working in New Zealand gained their primary veterinary qualification overseas
- The APC fee was raised by 4.75%
- Income was \$977,561 and expenditure \$928,095 with an end of year position of \$495,198
- Thirty-four complaints against veterinarians were received down on the 53 the year before. The Council attributes the drop to the introduction of the new concerns notification policy
- Twenty-five complaints remained open at the end of 2011
- VCNZ took part in World Veterinary Year 2011 celebrations.

## Council role and functions

The Veterinary Council of New Zealand (VCNZ/the Council) is the statutory body set up under the Veterinarians Act 2005 to regulate the veterinary profession. The primary purpose of the Council is to protect the public interest. It does this through the exercise of its statutory functions, which include:

- registering veterinarians who are properly trained and qualified
- setting and monitoring the standards veterinarians must meet
- promoting high standards of veterinary education and conduct
- accrediting and monitoring the institutions which train veterinarians
- annually re-certifying veterinarians' competence and fitness to practise
- reviewing and acting, where necessary, in circumstances where concerns about a veterinarian's performance, professional conduct or health have been raised
- advising and making recommendations to the Minister of Agriculture and Massey University on matters related to veterinarians, veterinary education and the practise of veterinary science.

## Council membership

There are seven Councillors, three of whom are elected by veterinarians. Three other members of the Council are appointed by the Minister of Agriculture. Two of these appointees are lay members and the Council cannot meet without at least one of these lay members being present. The Programme Director of Veterinary Science at Massey University is also a member of the Council. The Chairperson and Deputy Chairperson are elected by Council members at the first Council meeting of each year.

The Council holds formal meetings four times a year and teleconference meetings as, and when, particular issues arise.

Council members during 2011 were:

- Ron Gibson (Chairperson and elected veterinary member, CEO Animal Health Centre)
- Norm Williamson (Deputy Chair. Academic Programme Director Veterinary Science, Massey University). Retired June 2011
- Tim Parkinson (Academic Programme Director Veterinary Science, Massey University). Joined Council September 2011, replacing Professor Williamson
- Julie Wagner (Deputy Chairperson from September 2011 and elected veterinary member)
- Jim Edwards (Ministerial appointed veterinarian, Consultant)
- Nick Twyford (Elected veterinary member, Director Franklin Veterinary Services)
- Barbara Benson (Ministerial appointed layperson, Manager Teacher Education, New Zealand Teachers' Council)
- Penny Mudford (Ministerial appointed layperson, Rural Arbitrator).

The Council appoints standing committees and working parties to undertake functions on its behalf, to provide it with advice and to make policy recommendations. The business and membership of the Council's standing committees and working parties is reported on in the relevant sections of this report.

## **Council staff**

The Council receives executive and administrative support from a small secretariat led by the CEO/Registrar. Staff members are:

- CEO/Registrar Janet Eden
- Executive Officer Complaints Anthea Black
- Executive Officer Finance and Re-certification Helen Piercy
- Administration Officer Margriet Philipsen

## From the Chair

2011 has seen the successful conclusion of a particularly important piece of work for the Council. The new Code of Professional Conduct (COPC) has been finalised and is now published both in hardcopy and on the VCNZ website. Before it was finalised, the Council sought final comment on the document to ensure it met the needs of veterinarians and the public and I would like to thank those who took the time to record their thoughts. It has been designed to be a practical resource that will aid veterinarians in delivering veterinary services which meet the needs of the public and assist those outside the profession to assess the professional conduct standards expected of veterinarians.

### **Governance**

This year, the Council has been undertaking a range of activities to ensure good governance at VCNZ. Paramount among these has been a review of the risks the Council faces. As a result, the brief of the Finance Committee has been extended to include consideration of organisational as well as financial risks and has been renamed the Finance and Risk Committee. It will be required, among other things, to ensure policies and systems are reviewed on a regular basis so that they remain up-to-date and are being implemented correctly.

Other emphasis has been on providing governance training for Council members and ensuring members of the various Council committees have access to training so they have the skills needed to effectively carry out their duties.

The Council has also begun setting aside time on its agenda for generative thinking about important issues. This ensures Council members are able to consider these issues at length and, from their deliberations, come up with new ideas for tackling them.

All these initiatives promise to improve Council decision making and ensure VCNZ is well placed to anticipate change and ensure its policies cover all eventualities.

### **Finances**

As signalled in the 2010 report, the Council has increased the annual practising fee for a third year in a row. The Council never takes its decision to raise fees lightly as we are aware of the costs that veterinarians have to bear. However, financial reserves are tracking down and the Council has increased the fee to ensure we maintain a minimum level of reserves to be able to cope with any unexpected spikes in expenditure, for example a protracted and expensive disciplinary case. The latest increase is 4.5%, excluding GST, and is in line with Council's belief that it is best to make small increases in the fee on a regular basis in the current economic climate rather than burdening veterinarians with a large increase further down the track.

In the meantime we are working to ensure the organisation is as efficient as possible. One major development in this regard in 2011 has been the introduction of electronic agendas for Council members. This has greatly reduced the administrative workload and costs associated with providing papers and background documents for Council meetings and also allows members to have easy access to this information.

### **Veterinarians Act review**

2011 has seen the Council continue its efforts to see the Veterinarians Act 2005 updated. Some minor and technical changes to the Act are contained in the Statutes Amendment Bill introduced into the House in October 2011. It had its first reading in February 2012,

when it was referred to the Government Administration Select Committee. The Committee is due to report back in August 2012.

In the meantime, the Council has advised MAF that it wants to see other issues to be included in a further Statutes Amendment Bill in 2012/13. These include: removing the word “minimum” in relation to practising standards; reinstating VCNZ’s ability to remove veterinarians from the Register for failure to notify their address; and, extending the Council’s powers in the complaints process so that it can impose interim suspension pending a competency assessment or disciplinary proceedings.

The Council recognises, however, that these amendments are not sufficient to bring the Act up to the standard required in 2011 and will continue to impress on the Ministry of Agriculture and Forestry (MAF) and the Minister the need for the comprehensive revision of the legislation.

### **International links**

The Council has maintained its international links during the year and in March 2011 Norm Williamson and I were privileged to be among five Australian Veterinary Boards Council (AVBC) representatives who attended a productive meeting of the International Accreditors Working group (IAWG) meeting held in Chicago. This meeting was held to consider progress on international accreditation and share information about national accreditation standards

It brought together representatives from the Royal College of Veterinary Surgeons (RVS), the European Association of Establishment for Veterinary Education (EEAVE), the American Veterinary Medical Association (AVMA), the Canadian Veterinary Medical Association, the South African Veterinary Council (SAVC) and the Association of American Veterinary Medical Colleges so it was an excellent opportunity to compare the Australasian accreditation system with that of a range of other countries.

The meeting also discussed an earlier visit to Murdoch University Division of Veterinary and Biomedical Sciences in Perth, Australia. The university uses the “distributive” model for clinical education where students work at an off-campus veterinary practice. It was agreed that model is still in its formative stage and the long-term sustainability of the initiative is yet to be confirmed. The meeting also discussed future combined accreditation visits and a recommendation has been made for a combined AVBC, AVMA, RCVS and SAVC visit to the Massey University’s Institute of Veterinary, Animal and Biological Sciences in 2014.

### **World Veterinary Year 2011**

VCNZ was closely involved, along with the New Zealand Veterinary Association, MAF and Massey University, in the planning for New Zealand’s celebration of World Veterinary Year in 2011. It marked the establishment 250 years ago of the world’s very first veterinary school at Lyons in France in 1761. It was the initiative of French veterinarian Claude Bourgelat. It was appropriate therefore that the French Embassy should be involved in the celebration and the Registrar and I attended the launch at the French Ambassador’s residence in Wellington on 31 January. Other events were held throughout the year, including an essay competition for student veterinarians.

### **Council member retires**

At our September meeting, we farewelled long-standing Council member and Deputy Chair of VCNZ, Norm Williamson. He joined the Council in 2000 in his position as Academic Programme Director Veterinary Science at Massey University, a position he retired from in June. In his 11 years on the Council Professor Williamson has made an outstanding contribution to its work, bringing to Council discussions and decision making

his thoughtful consideration and his ability to get to the heart of the issue. His input has been particularly valuable in the areas of registration and accreditation. I would like to thank him for his contribution and wish him well in his retirement, although it will no doubt be a busy one. I am pleased to report that Norm will continue to maintain some links with VCNZ. He has agreed to continue chairing the Council's Registration Committee and will represent New Zealand on the AVBC Advisory Committee for Registration of Veterinary Specialists (ACRVS) and Veterinary Schools Accreditation Advisory Committee (VSAAC).

I would like to take this opportunity to welcome Tim Parkinson, who is taking Professor Williamson's place on the Council as his successor in the Massey Programme Director role. Tim joined us at the Council table in September. He is particularly interested in the specialist registration, continuing veterinary education and accreditation areas of the Council's work and we look forward to the contribution he will be able to make to our discussions in these areas. He is currently the NZVA representative on VSAAC.

### **In appreciation**

There are numerous people who have given invaluable assistance to the Council in the past year including those who undertake the sometimes thankless task of complaints assessment and Massey staff who examine overseas veterinarians for registration purposes. I would like to thank, in particular, our Registrar and CEO Janet Eden and her staff at VCNZ. My thanks also go to my fellow Council members for their sure hand in guiding the organisation in achieving its mission of protecting the public interest by regulating the veterinary profession and encouraging high professional standards through prudent implementation of the Veterinarians Act 2005.

A handwritten signature in cursive script that reads "Ron Gibson".

Ron Gibson  
Chair

## From the CEO/Registrar

We end 2011 with a sense of achievement. The new Code of Professional Conduct is in place and the response from veterinarians has been positive. We have also begun implementing the Continuing Professional Development (CPD) framework in preparation for its full introduction in the Annual Practising Certificate round of 2014. It marks the end of a particularly busy period for the small staff at VCNZ and I would like to thank my team for their efforts in meeting the extra demands while ensuring business-as-usual tasks are also completed efficiently and on time.

As well as being published in hard copy, the COPC is prominently displayed on the website, with each section accompanied by embedded explanatory notes that give practical examples on the Code in practice. The Code review was a time-consuming exercise but we believed it was important that veterinarians be able to access information on how the Code provisions relate to their everyday work, making it easier for them to meet their commitments. Veterinarians have told us they particularly appreciate the extra guidance provided by this resource.

### **Organisational efficiency**

We continue to be very conscious of the need for the executive and administration of VCNZ to work as efficiently as possible and are constantly looking at ways to deliver on that. With that in mind, in 2011 we moved to an electronic agenda for all Council meetings. This has significantly cut down the administrative time involved in collating all the paper documents for the four meetings a year and getting them to Council members. It is also aiding Council governance since Council members now have easy access to these documents, as well as VCNZ policies and other important background before, during and after meetings. This provides value-for-money both in terms of staff time and operational costs.

### **Concerns notification policy**

In late 2010 we introduced a new “concerns” notification policy to deal with cases where someone wants to bring concerns about a veterinarian’s actions to Council attention but does not necessarily wish to make a formal complaint.

While it is still far too early to make any firm comments on the impact, it does appear that the concerns option has led to a fall in the number of formal complaints and in the longer term this should speed up complaint investigation timelines.

### **Risk management**

As the Chair has noted in his report, 2011 saw us put particular emphasis on improving governance within VCNZ. As a result of our risk management analysis at the beginning of the year, the Council will be ensuring all policies are regularly reviewed for their currency and relevance. The analysis noted the risks to VCNZ related to its small executive and administrative team. The small size of the office makes it difficult to ensure succession planning but we are confident that the strategies we are putting in place will reduce this risk. This includes thorough documentation of all Council processes, each staff member having an up-to-date desk manual and ensuring that more than one staff member is familiar with most office processes.

### **Stakeholder relations**

During the year, one of our key stakeholders, the New Zealand Food Safety Authority (NZFSA) was brought under the jurisdiction of MAF as part of the consolidation of the primary production sector agencies. As a result, VCNZ and MAF have agreed to extend the previous Memorandum of Understanding (MOU) with NZFSA to cover all the activities

where the Council has a relationship with MAF. As well as the food safety and veterinary medicine issues this will also covers animal welfare and biosecurity interfaces.

I would like to record my appreciation once again of the work of my staff at VCNZ and to the Council and Committee members for their input into the effective governance of the organisation. I would like to add my appreciation to Norm Williamson for his contribution over the 11 years he was a Council member, as well as his more recent work as Deputy Chair.

A handwritten signature in black ink, appearing to read 'Janet Eden', written in a cursive style.

Janet Eden  
Registrar/CEO

## Registration

The Council's Registration Committee is responsible for ensuring all applicants for registration meet the standard required for safe and competent practise, so meeting the Council's statutory requirement to protect the public interest.

In doing so it:

- ensures statutory registration requirements are met
- ensures registration processes are fair, equitable, transparent and timely
- makes recommendations to Council on limited registration applications
- approves full, Trans-Tasman Mutual Recognition Act, and specialist registration applications under delegated authority from the Council.

In 2011 the committee members were:

- Norm Williamson (Chair)
- Sandra Forsyth (Massey University & NZNVE Chief Examiner)
- Joe Mayhew (Massey University)
- Paul Wiseman (Totally Vets)
- Chris Mawson (MAF NZFSA)
- Kiro Petrovski (Massey University)
- Barbara Benson (Council lay member).

### Registration statistics.

<b>Number of veterinarians with practising status (at 30 June)</b>										
	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Practising	2425	2392	2360	2312	2275	2171	2122	2047	1940	1833
Non-practising	152	168	219	258	310	320	347	369	401	370
<b>Total</b>	<b>2577</b>	<b>2560</b>	<b>2579</b>	<b>2570</b>	<b>2585</b>	<b>2491</b>	<b>2469</b>	<b>2416</b>	<b>2341</b>	<b>2203</b>

### Veterinarians gaining specialist registration in 2011

The following veterinarians gained specialist registration during 2011:

- Erica Gee – equine reproduction
- Alan Julian – veterinary pathology
- Brent Higgins – small animal surgery
- Geoffrey Orbell – veterinary anatomic pathology
- Gregory Quinn – equine surgery
- Alastair Coomer – small animal surgery.

<b>New registrations by country where primary degree obtained</b>						
<b>Country of origin</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2005</b>	<b>2002</b>
Great Britain	56	42	37	38	54	48
New Zealand	113	72	97	71	70	80
Australia	14	11	15	18	15	15
USA	13	14	2	21	20	12
Netherlands	2	4	4	7	7	11
Ireland	8	8	11	4	2	2
South Africa	5	4	6	9	7	14
Canada	2	4	7	3	10	2
Iraq	-	-	-	-	-	2
India	1	4	2	2	-	1
Czech Republic	-	-	-	-	1	1
Egypt	-	1	-	-	-	-
Mexico	-	-	-	1	-	-
Denmark	-	-	1	1	-	-
Romania	-	-	-	1	1	-
Zimbabwe	-	-	-	1	1	2
Germany	4	3	5	-	3	-
Bulgaria	-	-	1	-	-	-
Belgium	1	1	1	-	1	-
Poland	-	-	1	-	-	-
Serbia	-	-	-	-	-	1
Nigeria	-	-	-	-	1	-
Pakistan	1	-	-	-	-	-
West Indies	1	-	-	-	-	-
<b>Total</b>	<b>221</b>	<b>168</b>	<b>190</b>	<b>177</b>	<b>193</b>	<b>191</b>
<b>Total overseas</b>	<b>108</b>	<b>96</b>	<b>93</b>	<b>106</b>	<b>123</b>	<b>111</b>

### **Annual Practising Certificate (APC) declarations**

In the 2011 APC round, 46 veterinarians declared possible competence or fitness-to-practise issues.

Of these, 38 declared CAC investigations or a judicial hearing conducted during the previous practising year. This compares with the 2010 figure of 29.

Two of the declarations related to investigations in Australia. One related to a claim handled by the Veterinary Professional Insurance Society (VPIS) while another related to a complaint in New South Wales, which resulted in a disciplinary finding of inadequate

records and a fine was imposed. In the latter case, further information was sought and the relevant authorities advised that, as the matter was “at the lighter end of the scale”, it was not reported in the letter of good standing. A third case involved an adverse competency finding by an employer. An APC was subsequently issued on the condition the veterinarian refrains from practising in the companion animal area.

Another declaration involved an historical racing authority finding which has previously been considered by a CAC and not taken any further.

Three other cases involved court convictions, one for careless driving and two for driving under the influence of alcohol. These were first offences and were handled by the Registrar under her delegated authority. Another case involved assault charges that were being dealt with under diversion with the charges to be withdrawn on completion.

Sixty-five veterinarians declared a new or existing mental or physical condition with the potential to affect their fitness to practise. These are discussed in more detail in the section on veterinarians’ health on page 19.

### **Amendment of the English language policy**

A change was made to the Council’s Policy on English Competence and English Tests during the year. Under the change, applicants for registration whose first language and primary degree was not in English, but who have subsequently completed recognised postgraduate specialist qualifications in an English-speaking country, and who meet the other criteria in the policy, will be considered to meet the requirement that they can communicate in and understand English to an appropriate standard for practising as a veterinarian in New Zealand. This means that they will not be required to sit and pass an approved English test.

### **Support for increased student numbers**

The Council has supported a Massey University submission to the Tertiary Education Commission for an increase of 30 in the number of students who can be admitted to its veterinary courses. While access to the first semester of the five-year course is open to all, thereafter the annual intake is restricted to 75 applicants with permanent residency in New Zealand plus an additional 24 non-subsidised international students.

The Council believes the number of domestic veterinary graduates needs to increase if New Zealand is to maintain sufficient numbers of well qualified and competent veterinarians. When the number of practising veterinarians is measured against livestock numbers, New Zealand is already suffering a shortage of vets. With the workforce heavily weighted towards the older age group this shortage is likely to worsen as they retire. While overseas-trained veterinarians may be able to fill some of the gaps there are risks associated with this as there is no guarantee of supply and the retention rate for these veterinarians is significantly less than for Massey graduates.

## New Zealand National Veterinary Examination (NZNVE)

The NZNVE is the means by which a veterinarian who is trained overseas but whose degree is not immediately eligible for registration in New Zealand can demonstrate competence to be registered. It consists of a preliminary and a final examination. The Registration Committee has stewardship of this examination. The Council thanks Sandra Forsyth, who is chief examiner for the NZNVE and other staff at Massey University for their invaluable role in overseeing this complex exercise and ensuring candidates are treated fairly and equally.

### NZNVE results

In all, 11 candidates sat the preliminary examination sessions held in March and September 2011. Two candidates achieved a pass and are eligible to proceed to the final examination and one achieved a conditional pass. Eight others failed.

Four candidates sat the final examination. Two achieved a pass and have now been registered. A third candidate is required to sit a supplementary examination in radiology while one candidate failed.

A fifth candidate sat, for a second time, two supplementary examinations. He failed one of them and as he was awarded a conditional pass in the preliminary examination, under Council policy he was advised that he must re-sit and pass the NZNVE preliminary examination before being eligible to re-sit the final examination.

### National Veterinary Examination Result Summary, 2006 - 2011

#### 2006

	Preliminary	Final	Supplementary
Candidate attempts	7	5	
No. of passes	5	5	
Pass rate overall	71.43	100%	

#### 2007

	Preliminary	Final	Supplementary
Candidate attempts	9	5	
No. of passes	5	2	
Pass rate overall	55.56%	40%	

#### 2008

	Preliminary	Final	Supplementary
Candidate attempts	23	9	2
No. of passes	13	1	2
Pass rate overall	56.52%	11.11%	100%

#### 2009

	Preliminary	Final	Supplementary
Candidate attempts	20	7	3
No. of passes	13	4	3
Pass rate overall	65%	57.14%	100%

## 2010

	<b>Preliminary</b>	<b>Final</b>	<b>Supplementary</b>
Candidate attempts	17	7	
No. of passes	4	1	
Pass rate overall	23.52%	14.28%	

## 2011

	<b>Preliminary</b>	<b>Final</b>	<b>Supplementary</b>
Candidate attempts	11	4	4
No. of passes	3	2	3
Pass rate overall	27.27%	50%	75%

## Total 2006 –2011

	<b>Preliminary</b>	<b>Final</b>	<b>Supplementary</b>
Candidate attempts	87	37	9
No. of passes	43	15	8
Pass rate overall	49.43%	40.54%	88.89%

### **Accusation of cheating in 2010 NZNVE final examination**

During 2011, a candidate in the final NZNVE examination held in November 2010 brought before the Council serious allegations of collusion and cheating in the written examination.

As the allegations brought into doubt the integrity of the examination process and, in particular, the validity of the results of the written assessment section of the final examination the Council commissioned an independent person to investigate on its behalf and report back.

That investigation was undertaken by Graeme Oldershaw, former head of the Wellington College of Education and current convenor of one of the New Zealand Teachers Council's Complaints Assessment Committees. After interviewing the Chief Examiner and the five New Zealand-based candidates among the seven candidates who took the examination, Mr Oldershaw reported back to Council in February 2011.

He concluded that there were two distinct versions of what went on in the examination room. Two candidates independently provided to Mr Oldershaw specific details and examples of communication and collusion between the other five candidates and, on the balance of probabilities, Mr Oldershaw considered that improper behaviour was likely to have occurred. This, he noted, could have impacted on the results, with some candidates benefiting from the sharing of information and others being disadvantaged by the situation

The Council accepted this conclusion and, to ensure the integrity of the examination process is preserved, declared the results of the 2010 final NZNVE written examination invalid.

The candidates are being required to re-sit the paper in June 2012 but will not be required to pay the normal examination fee.

The Council has also taken urgent steps to ensure its expectations as to the rigour of the NZNVE process are clear. These include reviewing and updating the list of duties and instructions for invigilators of the final written examination and including information on maintaining the integrity of the NZNVE process in the Candidates Examination Handbook and advice on the consequences if this does not occur. A formal contract is also being put with the Chief Examiner and an Examinations Administrator has been appointed to

provide onsite support to the Chief Examiner and candidates during the staging of the final examination.

### **New Communications Skills assessment**

The development of a new formalised communications skills assessment during the final examination has been completed and will be trialled early in 2012 with a view to introducing it for the November 2012 final NZNVE examination. The assessment tests candidates' performance in communicating with a client in scenarios involving common, uncomplicated situations which arise in everyday clinical practise.

### **Equivalency of Australian/New Zealand final examinations**

During 2010, the regular five-yearly exchange took place of the VCNZ and Australian Veterinary Boards Council (AVBC) Chief Examiners. The exchange is designed to ensure the equivalency of the New Zealand and Australian final registration examinations. After considering reports from the VCNZ chief examiner Dr Sandra Forsyth and her Australian counterpart Dr Leo Jeffcott, the Council and AVBC agreed the final examinations were equivalent.

### **Significant surgical procedures**

During 2011, the Council was successful in gaining Massey University Animal Ethics Committee approval for candidates in the NZNVE examinations to carry out significant surgical procedures during the examination. However, it has not yet been able to clear the way for candidates to be able to get practical supervised experience in significant surgical procedures as they prepare for the exam. Ongoing discussions have been held with MAF on including provisions to allow this in the Animal Welfare Act 1999, which is currently under review. As any changes are unlikely to be made for another two to three years the Council is, in the meantime, exploring other ways of achieving this.

## Professional standards

The role of the Professional Standards Committee (PSC) is to:

- advise the Council on matters relating to professional standards
- review and make recommendations on changes to the Code of Professional Conduct
- review and make recommendations on changes to the Continuing Professional Development Framework.

Committee members in 2011 were:

- Julie Wagner (Chairperson, Council Member)
- Ron Gibson (Council member)
- Tony Zohrab (MAF)
- Matthew Stone (MAF)
- Caroline Robertson (NZVA nominee)
- Wayne Ricketts (NZVA nominee)
- Penny Mudford (Council laymember)
- Tim Parkinson (Council member & adhoc member for CPD issues)
- Barbara Benson (Council laymember & adhoc member for CPD issues)

The PSC held its first formal meeting on 18 October, having not met formally during 2010 and the earlier part of 2011 because members were involved in working parties reviewing the Code of Professional Conduct (COPC) and the Code of Professional Development (CPD) framework. Among its first tasks are: investigating, in consultation with NZVA, the development of professional standards compliance requirements for the issue of a practising certificate; developing Council statements and/or guidance on complementary therapy, internet consultations and the link between animal abuse and human violence ; and reviewing and developing other statements on issues such as dry cow therapy and writing prescriptions.

### **Code of Professional Conduct in place**

Council approved the final draft of the revised Code in July 2011 and the expectations set out in it were gazetted as minimum practising standards for veterinarians on 4 August. The Code was officially launched by the Minister of Agriculture at a function held at Parliament on 16 August attended by key stakeholders, including a strong representation from NZVA. The Code is now prominently displayed on the VCNZ website along with accompanying explanatory notes and practical guidance for veterinarians on its provisions.

Presentations on the new Code were given to NZVA branches and special interest groups. Hard copies of the new Code have been provided to all practising and non-practising veterinarians as well as other key stakeholders.

Articles on the new Code have been included in specialist veterinary publications *VetScript*, *Newsbrief* and *Animal Welfare Pulse*.

### **Continuing Professional Development Framework**

Veterinarians were required from 1 April 2011 to begin recording their Continuing Professional Development (CPD) activities in preparation for the full introduction of the new compulsory CPD framework in 2014. Under this, veterinarians are required, in order to renew their APC, to achieve a total of at least 60 points over a three-year period in three areas of professional development: collegial learning; formal continuing veterinary education; and self-directed learning.

During the year the Council has been publicising the requirements, including producing a CPD guide for veterinarians. It is also carrying out follow-on work to ensure the APC

renewal and compliance monitoring processed will work smoothly for the 2014 APC round. This has included policies and procedures on compliance monitoring, new graduate and specialist requirements and guidance for CPD providers. The Council is also developing policies to take account of large employers such as MAF and some veterinary practices that provide continuing education and professional development programmes for their veterinary staff as part of their normal business.

### **The links between animal abuse and human violence**

At the recommendation of the Code review working party, Council has agreed to develop guidance for veterinarians on the links between the abuse of animals and child abuse and other forms of domestic violence. This will be incorporated into the 2012 work plan of the Professional Standards Committee but, in the meantime, veterinarians were invited to complete a short online survey on their experiences. The information will help research by a PhD student/veterinarian at the University of Queensland to uncover how veterinarians support suspected victims of violence and to identify any gaps in training to help them deal with such issues.

### **Recency of practice issues**

The Council's Recency of Practice Policy requires veterinarians to seek approval before resuming work after a break of three or more years or if they switching to a field they have never practised in or have not practised in during the previous three years. This is to make sure that sufficient support and upskilling is in place to assist veterinarians make a smooth return to practice.

The annual practising certificate application asks veterinarians to declare recency issues.

In 2011 there were 62 cases of self reported recency-of-practice issues. Of these:

- Forty-seven were approved, or the veterinarians were advised of the information Council required in the event they went ahead with their plans.
- Eleven were approved with advice on collegial oversight, relevant continuing professional development and staying within competence boundaries. Reporting requirements were put in place in three of these cases.
- Five were approved subject to conditions on practise, including supervision and reporting, a graduated return to work programme, and educational requirements.

## Veterinarians' health

The Health Committee is responsible for administering medical assessments, monitoring the health of veterinarians and making recommendations to the Council on decisions that need to be made regarding veterinarians and veterinary health in general. In 2011, the members of the Health Committee were:

- Julie Wagner (Chairperson)
- Ron Gibson (VCNZ Chairperson)
- Tom Flewett (Medical adviser)

### APC health-related declarations

During the March 2011 Annual Practising Certificate (APC), 65 veterinarians declared a new or existing mental or physical condition with the potential to affect their fitness to practise. Of these, 53 related to conditions that had previously been declared and remained unchanged.

Of the 12 new health conditions declared: six related to an episode of depression or stress; three related to musculoskeletal issues or injuries; two related to mild degenerative changes, and; one related to a medical condition. In the latter case, an APC was issued on confirmation by a GP of fitness to practise.

Practising certificates were issued in all but one case, some after GP confirmation of fitness to practice and others after agreements being made with the veterinarians to continue treatment with reporting requirements.

### Referrals to the Health Committee

In 2011 there were six other referrals to the Health Committee. One related to a declaration of a depressive condition in a registration declaration. There were also two declarations during the year, one involving addiction issues, the other a physical degenerative condition. Two cases were referred to the Health Committee by the Complaints Assessment Committee and involved complaints indicating signs of stress and unusual behaviour by the veterinarians concerned.

### Outcomes of health referrals

No further action	1
Recommendations made to the vet	2
Vet required to undergo a medical assessment	4
Interim suspension	-
Statutory conditions imposed on practice	-
Voluntary undertaking with vet	3
Still under review	1

### Health promotion strategy

In 2011, the Council has continued to work with the New Zealand Veterinary Association (NZVA) on NZVA's health promotion and work/life balance strategies.

In other activities, the Chair of the VCNZ Health Committee Julie Wagner attended the Health of Health Professionals conference held in Auckland in November.

### Change of name for Workplace Support provider

During the year, the provider of the joint VCNZ/NZVA workplace support service, SEED, merged with another provider. The new organisation is known as Vitae. Apart from the name change, there are no changes in services and the free 24-hour access to confidential and professional offsite counselling support remains available to all veterinarians by phoning 0508 664 981.

## Workforce analysis

Since 2009, when concerns were expressed about a shortage of veterinarians in rural areas, the Council has been analysing workforce data on an annual basis. The information on which it is based comes from a questionnaire voluntarily completed by veterinarians at the time they apply for their Annual Practising Certificate.

The median age for the workforce is 43 and 43% of (full time equivalent) veterinarians are women. When the gender balance is broken down into age groups, there are more younger women practising as veterinarians than there are younger men: 60% of women in the workforce were under the age of 40 compared to 23% of men. Only 12% of women in the workforce were over the age of 60, compared to 48% of men. Projections indicate that, as the current cohort of veterinarians over 50 years of age retire and leave the profession over the next 20 to 25 years, female veterinarians can be expected to outnumber male veterinarians by a factor of around three to one.

The latest survey shows women were under-represented in consultant, managerial and technical roles and over-represented in the field of education. Gender distribution within work type has changed little over the three years in which the workforce survey has been carried out. Women dominate companion animal practice, although the proportion of women working with monogastric (pigs and/or poultry) species and small ruminants has increased in the period.

The statistics for work type across the workforce show modest increases in FTE veterinarians working with beef cattle, companion animals, dairy cattle and monogastrics in this survey, with decreases in the number of FTE veterinarians working in equine, large and mixed animal practice.

Nationally, the average number of practising veterinarians per 100,000 head of population is 53. When that figure is broken down on a regional basis, the number of practising veterinarians per head of population ranges from 26 per 100,000 in the Bay of Plenty to 116 per 100,000 in Southland.

### Workload

The survey gathered information on the average routine hours worked by veterinarians, where routine work was defined as activities carried out during business hours, as well as veterinary work done while on call.

Under this definition, the average routine number of hours worked by practising veterinarians in 2011 was 41 but the survey showed up big differences in work hours between men and women. It found women worked a similar number of hours to men during their 20s but their average routine work hours per week began to decrease from age 25 and remained relatively static between 35 and 55.

As a result, after the age of 30, men worked more hours than women, with the difference being greatest in the 40-45 age group. For men, average routine work hours per week were relatively static across age groups before decreasing sharply after the age of 60.

The workforce survey also asked veterinarians to record the additional hours when they were on call but were not required to work. Fifty-four percent of veterinarians reported no on call hours worked. However, relatively large number of veterinarians working with beef cattle, horses, monogastrics and mixed animal practice reported that they spent more than 50 hours per week on call.

## International veterinary graduates

Overall, the numbers and countries of origin of international graduates have changed little over the three years of the workforce survey. In 2011, the proportion of veterinarians who obtained their primary veterinary qualification in a country other than New Zealand stood at 28%, which was the same as in 2010. Of the 2140 veterinarians who responded to the workforce survey, the largest international group was from the United Kingdom at 10%, followed by Australia at 6%. There has been a decrease in the numbers of Australian graduates in the New Zealand workforce in the past two years - from 145 in 2009 to 123 in 2011.

When the international graduate workforce is analysed according to work type, it shows 42% are working in education and 39% in technical roles. In clinical practise, the proportion of international veterinarians working in the beef cattle, companion animal, dairy cattle, equine, large animals, mixed animals and small ruminants fields ranges from 20% to 25% of the FTE workforce. In 2011, 69% of the monogastric species workforce had graduated from an overseas institution and 41% of those working in regulatory areas.

The 2011 survey also looked at retention rates of international graduates. That shows 42% are still practising in New Zealand two years after registering with VCNZ. After year three the figure is 37%. Retention rates for international graduates level out to between 20% and 30% in years 5 to 10 after first registration date.

## Retention rates for New Zealand graduates

The survey shows 74% of New Zealand graduates are retained two years after first registering with VCNZ. By the third year, 71% are still working in the profession, 62% in year four, and 67% in year five. The figures collected to date suggest that retention rates may level out to between 60% and 65% in the period five to ten years after registration.

## 2011 workforce survey: facts at a glance

	2006	2007	2008	2009	2010	2011
Size of workforce <sup>a</sup>						
Practising veterinarians	2,171	2,275	2,312	2,360	2,392	2,425
Non-practising veterinarians	320	310	258	219	168	152
<b>Total</b>	<b>2491</b>	<b>2585</b>	<b>2570</b>	<b>2579</b>	<b>2560</b>	<b>2577</b>
Vets per 100,000 population <sup>b</sup>	52	54	54	55	55	56
Proportion of IVG FTEs <sup>c</sup>	-	-	-	27%	28%	27%
Proportion of women FTEs	-	-	-	42%	43%	43%
Proportion of specialist FTEs	-	-	-	-	2.7%	2.6%
Median age (years)	-	-	-	43	43	43
Average routine work hours <sup>d</sup>	-	-	-	36	40	41

<sup>a</sup> numbers of veterinarians with an APC on 30 June of respective year.

<sup>b</sup> Practising veterinarians.

<sup>c</sup> IVG: international veterinary graduates.

<sup>d</sup> Average routine work hours per week, includes activities carried out as a veterinarian during business hours as well as veterinary work done while on call.

## Complaints, concerns & disciplinary action

Complaints Assessment Committees investigate complaints against veterinarians. They consider what action should be taken and recommend to Council accordingly following an investigation. These actions can be taking no further action, providing advice to the veterinarian and/or complainant recommending medical or competence assessment for the veterinarian, facilitating mediation between the parties or laying charges of professional misconduct against a veterinarian.

There are two standing Complaints Assessment Committees. In 2011, the members of the committees were:

### CAC1

- Nick Twyford (Chairperson)
- Phyllis Huitema (representative of the public). Replaced by Victoria Hinson during the year
- Rob Mills (veterinarian)

### CAC2

- Nick Twyford (Chairperson)
- Tania Turfrey (representative of the public)
- Charlotte Cantley (veterinarian)

If members of the main Committee declare a conflict of interest or are unavailable to sit on the Committee, other members may be appointed or a new Committee established from the panel of other veterinarians and laypeople available for complaints work. During the year, 9 CACs, consisting of 10 different members, were active.

### Complaints Summary 2006-2011

	2011	2010	2009	2008	2007	2006
Number of Complaints	36	53	57	54	54	45
<b>Complaint Category</b>						
Inappropriate Behaviour	15	0	1	4	5	5
Unsatisfactory Treatment	18	33	42	20	29	28
Unprofessional/Unethical Behaviour (incl PARs)	3	20	13	29	18	13
Fees Charged			1	1	2	1
	<b>36</b>	<b>53</b>	<b>57</b>	<b>54</b>	<b>54</b>	<b>48</b>
<b>Species/Type</b>						
Cat	10	10	16	14	12	9
Dog	10	22	23	17	23	17
Horse	6	6	5	4	3	3
Other	3	2	3	5	2	1
Veterinary Medicines	4	2	1	2	5	3
Behaviour	3	11	9	12	9	9
	<b>36</b>	<b>53</b>	<b>57</b>	<b>54</b>	<b>54</b>	<b>45</b>
<b>Complaint Outcome</b>						
No further action	5	17	16	20	10	19
No further action but advice given	8	7	12	7	10	8
Diversion (no longer applicable)	0	0	0	0	0	0
Charges laid	1	1	0	1	0	1
Did not reach criteria/withdrawn	5	14	15	15	22	9
	<b>19</b>	<b>39</b>	<b>43</b>	<b>43</b>	<b>42</b>	<b>37</b>

Mediation attempted		1	1	1	1	2
Referral to Council:						
On grounds of health	2	1	1	2	3	n/a
On grounds of competency			1	1		1
<b>Times to completion of investigation</b>						
1-3 months	3	23	28	27	37	24
4-6 months	6	11	9	13	5	7
7+ months	9	4	6	14	12	14
Plus uncompleted at reporting time	<b>18</b>	<b>15</b>	<b>14</b>	<b>9</b>	<b>8</b>	<b>8</b>
	<b>36</b>	<b>53</b>	<b>57</b>	<b>54</b>	<b>54</b>	<b>45</b>
<b>Complaint/investigation originated by</b>						
Client	23	39	46	32	35	30
Another veterinarian	4	4	8	12	6	5
Referral from Council	4	5	1	3	5	9
Other	4	5	2	7	8	n/a

Note: Variations in the figures can arise under complaint category and complaint outcome because some complaints have more than one issue, or have been lodged against two or more veterinarians or are carried over from previous years.

In summary, 36 complaints were received in 2011, 23 of them from clients. Of these, 15 were for inappropriate behaviour, 18 for unsatisfactory treatment and three for unethical behaviour. No action was taken in 13 of the cases, although in eight of them, advice was given. Five cases were withdrawn or did not meet the criteria and disciplinary charges were laid in one case. The remaining 17 cases remain open. Four complaints from 2010 are also still current due to delays outside the control of the CAC.

The 2011 complaints were well down on the 53 received in 2010. The Council attributes the drop in the total number of complaints to the introduction of the new “concerns” notification policy.

The Council introduced this policy in 2010 to deal with notifications it receives about a veterinarian’s actions where people do not wish to make a formal complaint but feel very strongly about providing Council with information they consider important. These include, for example, concerns about a veterinarian’s competence or health – many of which were previously dealt with as formal complaints. A Preliminary Assessment Committee (PAC) was established with the mandate to:

- consider issues raised about a veterinarian’s conduct, performance or health in circumstances where the notifier does not wish to make a formal complaint
- make appropriate referrals to the Council or its Health Committee as needed
- make inquiries and refer matters to a CAC under Section 39 of the Veterinarians Act 2005 as it deems appropriate.

In 2011, the members of the PAC were:

- Barbara Benson (Chair and Council layperson)
- Ron Gibson (Council Chair and veterinarian)
- Stuart Burrough (veterinarian)

In 2011, the PAC considered 17 concerns raised by 7 members of the public and 10 veterinarians. Of these:

- four resulted in no further action. In two cases the veterinarian made direct contact with the notifier to resolve the issues of concern

- eight resulted in no further action, but recommendations or advice were given to the veterinarian with this information being retained on file to be available in the event of similar concerns being raised
- three were referred to a Complaints Assessment Committee
- one was referred to MAF's Compliance Investigation Group
- one was referred to the Council to consider under its competence policies.

### **Separation of responsibilities**

The election of Nick Twyford to the Council after his long service on the Complaints Assessment Committee (latterly as Chair) sparked discussion over whether it was appropriate for Council members to take a major role in the complaints process. The legislation does not prevent CAC members from also being on the Council but it was agreed that membership of both could be seen as posing a conflict of interest, whether or not this was in reality the case. It was also recognised that, in view of Dr Twyford's depth of experience with the CAC process, there was a risk in removing him too soon. As a result, Dr Twyford stepped aside from his position as Chair of the Complaints Assessment Committee, with effect from the beginning of 2012. In the interim, CAC members Rob Mills and Victoria Hinson were mentored to assume the chairing roles of the two standing CACs on his departure.

Council agreed that Dr Twyford should maintain an oversight and quality assurance role in relation to the work of Complaints Assessment Committees subsequent to his withdrawal from active CAC work. This will be reviewed at a later date.

### **Other activity**

A template to notify complaints and concerns is being finalised. This will be available on the Council's website. The aim is to make it easier for notifiers to compile the information needed to make a notification to the Council.

During the year, the Council also agreed that the outcomes of all complaints should be posted on the VCNZ website as a guide to best practice within the system. All names are removed to ensure anonymity.

### **Judicial Committee**

A Judicial Committee is formed to hear any charges of professional misconduct brought against a veterinarian by a Complaints Assessment Committee.

According to statute, the Judicial Committee must consist of at least four members, including an experienced solicitor or barrister of the High Court, a lay person, a member of the Council and a veterinarian with relevant experience in the area of practise that is the subject of the original complaint.

In 2011, Bruce Corkill QC was added to the panel of barristers available to participate on any Judicial Committee panel.

In 2011, one case was referred by a CAC to the Committee. However, an application for a judicial review has been filed and a date has not yet been set for that to be heard.

As a result, the Judicial Committee hearing is on hold pending the outcome of the judicial review.

## Stakeholder relations

### Promotional material

During 2011, the Council published a new pamphlet aimed at the general public explaining the Council's role and functions. A revised pamphlet explaining the complaints process was also been developed for publication in 2012.

### Stakeholder liaison

During the year the Council or the Registrar held regular meeting with key stakeholder organisations and individuals. These included meetings of the Australasian Veterinary Boards Council (AVBC), the Agricultural Compounds and Veterinary Medicines Advisory Council and MAF policy, food safety, biosecurity and animal welfare officials. Regular contact was also maintained with NZVA.

A Memorandum of Understanding is being developed between MAF and VCNZ to cover the range of relationships the Council maintains with the ministry following the transfer of the New Zealand Food Safety Authority into MAF.

### International links

Council Chair Ron Gibson and Council member Norm Williamson were among five AVBC representatives at a meeting in the US in March 2011 of the International Accreditors Working Group (IAWG). The aim of the meeting was to reflect on the progress towards international accreditation, to share information about national accreditation standards and to discuss arrangements for possible future joint visits.

It is proposed that these will include joint visits to the University of Sydney in 2012, Melbourne in 2013 and Massey in 2014.

### Accreditation of academic programmes

In 2011, the Council approved the accreditation recommendations of AVBC, RCVS and AVMA on the veterinary science degree courses at the following universities:

- James Cook University veterinary science degree, Townsville, Queensland, Australia.
- University of Nottingham School of Veterinary Medicine.
- Royal Veterinary College at the University of London.
- National Autonomous University of Mexico School of Veterinary Medicine (UNAM).
- Ross University of Veterinary Medicine in St Kitts, West Indies.
- Caribbean School of Veterinary medicine, St George's University.

This means, for newly accredited schools, that their students who graduated after the accreditation date, will be eligible to apply for registration in New Zealand without further examination

### World Veterinary Year 2011

VCNZ, along with representatives from NZVA, Massey University and MAF, was a member of the organising committee for World Veterinary Year. This marked the founding of the world's first veterinary school in the French city of Lyons in 1761. The VCNZ Chair and Registrar attended the launch of World Veterinary Year held at the French Ambassador's residence in January 2011. Other activities during the year included an essay competition for veterinary and para-professional veterinary students, an Australasian Veterinary Students conference held at Massey University and an official Government function where the revised VCNZ Code of Professional Conduct and the NZVA/MAF animal welfare toolkit were launched.

## Governance

As part of the 2011 Annual Plan, emphasis has been placed on ensuring the Council and its Committees are well trained and well informed and that succession planning is in place.

In March 2011, training sessions were held for Council members in facilitating generative thinking, governance and risk assessment.

Two Council members attended a professional education programme for members of regulatory authorities and another attended a Massey University governance training course.

Four CAC panel members also attended a one-day course run by the Health Regulatory Authorities on administrative law principles, Judicial Review, report writing and natural justice.

Plans are in place for targeted training for members of the Judicial Committee immediately prior to hearings.

To ensure the Council is able to give greater focus to governance issues, more time is being set aside at Council meetings for “generative thinking”. This ensures important issues are identified, discussed and managed. For example, at its December 2011 meeting the Council analysed the current competence assessment policies and processes, how these compare with international best practice in the health sector and with the processes adopted by health regulatory agencies in New Zealand. In the light of that information, the Council discussed how the VCNZ policies and procedures might be improved and will be discussing options at its first meeting of 2012.

### **Electronic agenda for Council meetings**

During 2011, the Council moved to an electronic agenda, using iPads, for its meetings. The new technology cuts down the administrative workload and costs associated with preparing and dispatching the volume of documents required for Council meetings. The technology also provides Council members with a shared work space they can use prior to, and after, their meetings and easy access to all the Council's policies.

### **Identification of Council skills sets**

Council is aware that the terms of two of the three ministerial appointees expire in 2012 and that any change in Council membership can cause a loss of institutional knowledge and a change in the direction and priorities of the organisation. With this in mind, a document has been drawn up outlining the skills required by Council members to aid decision making on the new ministerial appointees.

This is part of a wider policy the Council has introduced during 2011 to ensure the Council maintains the knowledge and competencies required for the effective operation of VCNZ.

## Finance

The Finance Committee provides financial advice and support to the Council so it can maintain high standards of financial management and stewardship and an appropriate balance between effectively discharging its statutory responsibilities and ensuring fees are affordable for veterinarians. The Committee considers and makes recommendations to Council on the annual business plan and budget, monitors organisational and financial performance, monitors risks and protects the Council's assets. It also oversees all aspects of financial management and reporting, including external audit of the Council's financial accounts.

Finance Committee members in 2011 were:

- Jim Edwards (Chairperson and ministerially appointed veterinary member of Council)
- Penny Mudford (Council laymember)
- Ron Gibson (veterinarian, Council Chairperson).

### **Risk Management monitoring**

In March 2011, the Council held a special session devoted to risk analysis using a revised format for risk reporting by management.

It identified the most significant risks as:

- loss of knowledge and skills in the Council office due to its small size
- loss of experience and knowledge at the Council member level
- the current level of reserves which may not be adequate to cover a significant disciplinary case or any required IT/database upgrade.

While Council noted that the first risk was already being addressed through strategies such as comprehensive documentation of processes, up-to-date staff desk manuals, and an understanding by at least 2 staff of the various office processes, it agreed to discuss this further in 2012.

Members agreed their control over the second identified risk was limited since Council is not responsible for selecting members. However, it was agreed to formally review the skill sets of current members to identify gaps and ensure these are brought to the attention of the Minister in making new appointments.

On the matter of reserves, the Council agreed to update its reserves policy to ensure it is realistic.

The Council also decided that a periodic review and policies and systems should be undertaken to ensure policies are appropriate, up-to-date and being implemented correctly. To achieve this, the terms of reference of the Finance Committee have been widened to include consideration of organisational risks so that there is now a group of members regularly reviewing both organisational and financial risks, including policies. As a result, the Committee's name has been changed to the Finance and Risk Committee.

### **Fees for 2012/13**

Council has agreed to increase the annual practising fee for 2012/13 from \$420 to \$440, a rise of 4.75%. As required, the fee increase was advertised to the profession in the VCNZ newsletter *Newsbrief* before it was implemented. There was one response and it agreed to the rise.

The Council relies on the APC and registration fees paid by veterinarians for its funding and for the past four years has run a deficit budget.

Although the 2011 year end result was a small surplus this is not sufficient over time to allow Council to retain a minimum acceptable reserve level. This is required to prevent insolvency in the face of unbudgeted events such as unforeseen court action or a spike in the number of complaints or disciplinary cases.

The Council notes that the increase may not be sufficient to prevent a deficit at the end of 2012 but considers that, in the current economic climate, small incremental increases over time are preferable.

The Veterinary Council of New Zealand  
**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2011**

Page 1

	Note	2011 \$	2010 \$
<b>Income</b>			
Practising Fees		853,605	665,331
Application Fees		52,056	52,312
Letters of Good Standing		2,818	2,727
Examination Fees		32,308	45,043
Interest		35,407	32,791
Complaints Assessment Committee		-	26,087
Miscellaneous Income		1,367	2,955
<b>Total Income</b>		<b>977,561</b>	<b>827,246</b>
<b>Expenses</b>			
<b>Employment Expenses</b>			
Salaries		335,980	323,796
Kiwisaver Employer Contributions		6,681	6,896
ACC Levies		1,392	1,920
Sundry Personnel Costs		72	869
Consultancy		20,913	9,204
Payroll Costs		1,792	1,724
		<b>366,830</b>	<b>344,409</b>
<b>Operating Expenses</b>			
Accounting Fees		3,785	4,074
Audit Fees		5,652	4,550
Bank Fees		939	929
Doubtful Debts		-	26,087
Merchant Bank Fees		10,982	9,619
Cleaning		3,039	3,097
Computer Support		7,964	10,610
Depreciation	3	16,217	19,128
Equipment Rental		499	588
Insurance		1,449	1,440
Repairs and Maintenance		515	661
Memberships		975	817
Miscellaneous Costs		2,825	3,150
Photocopying		7,662	7,268
Postage		6,810	6,629
Property Rental		69,499	69,624
Publications		4,473	3,667
Stationery		8,764	6,128
Telephone, Tolls & Internet		6,076	4,930
Website		4,505	2,669
Training		3,056	330
Loss on Disposal - Fixed Assets		-	-
Utilities		2,503	2,507
		<b>168,189</b>	<b>188,502</b>
<b>Total Operating Expenses</b>		<b>535,019</b>	<b>532,911</b>
<b>NZ Veterinary Exams</b>			
Preliminary		8,032	6,304
Final		27,686	27,030
Review (5 yrly) NVE/NZNVE		-	3,248
		<b>35,718</b>	<b>36,582</b>
<b>AVBC Inc</b>		<b>79,205</b>	<b>75,755</b>
		<b>79,205</b>	<b>75,755</b>

This Statement should be read in conjunction with the notes to the Financial Statements



**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
<b>Council</b>		
Attendance Reimbursement	25,971	24,128
Travel	8,973	7,131
Accommodation & Meals	2,921	3,009
Telephone & Tolls	259	146
Consultancy	584	-
Administration	295	-
Discretionary spending/Veterinarians Act	1,425	395
Legal Costs	15,410	8,905
Judicial Review	5,992	-
	<b>61,830</b>	<b>43,714</b>
<b>Health Committee</b>		
Attendance Reimbursement	2,639	1,956
Travel	322	-
Telephone & Tolls	-	80
Administration	165	180
Vets in Stress	2,000	-
Legal Costs	750	1,144
Consultancy	5,514	10,654
	<b>11,390</b>	<b>14,014</b>
<b>Complaints Assessment Committee</b>		
Attendance Reimbursement	39,529	54,319
Travel	5,078	5,305
Accommodation & Meals	361	684
Telephone & Tolls	1,749	2,086
Administration	660	1,243
Legal Costs	45,843	48,654
Training	3,163	985
Consultancy (Mediation)	6,140	11,855
	<b>102,523</b>	<b>125,131</b>
<b>Judicial Proceedings</b>		
Attendance Reimbursement	1,050	6,894
Travel	-	1,123
Accommodation & Meals	2,065	1,416
Legal Costs	19,129	13,287
Administration	1,234	2,646
Consultancy	-	2,322
Appeal Against Judicial decision	-	2,728
	<b>23,478</b>	<b>30,416</b>
<b>Registration Committee</b>		
Attendance Reimbursement	3,522	1,682
Travel	167	20
Accommodation & Meals	422	-
Telephone & Tolls	101	120
Consultancy (Examiners Manual)	522	-
ACRVS fees (Spec Assess)	264	4,067
Legal	990	1,224
	<b>5,988</b>	<b>7,113</b>
<b>Competence Assessment</b>		
Attendance Reimbursement	-	-
Travel	-	-
Accommodation & Meals	-	51
Training	-	252
Legal Costs	300	-
	<b>300</b>	<b>303</b>

**STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
<b>Professional Standards Committee</b>		
Attendance Reimbursement	1,443	693
Travel and Accommodation	1,862	-
COPC Review	27,399	13,846
CPD Review Attendance	-	3,662
CPD Review Travel	-	710
CPD Review Meals	-	190
CPD Review Documentation/Admin	-	480
	<u>30,704</u>	<u>19,581</u>
<b>Communications</b>		
Annual Report	207	171
Newsbrief	906	6,998
Prelude to Practice	2,152	-
Press Releases	-	848
Miscellaneous	2,727	160
	<u>5,992</u>	<u>8,177</u>
<b>Council Planning &amp; Training</b>		
Consultancy	3,605	3,000
	<u>3,605</u>	<u>3,000</u>
<b>Annual Practising Certificate</b>		
APC Documentation/Postage	12,429	12,060
Payment Processing	506	504
APC Temporary Staff	81	-
Workforce Survey	6,244	6,109
	<u>19,260</u>	<u>18,673</u>
<b>Liaison</b>		
Secretariat	3,141	41
Council	9,942	4,570
	<u>13,083</u>	<u>4,611</u>
<b>Elections</b>		
Printing/Stationery	-	844
Postage	-	489
Returning Officer	-	1,268
	<u>-</u>	<u>2,601</u>
<b>Total Expenditure</b>	<b>928,095</b>	<b>922,582</b>
<b>NET OPERATING (DEFICIT) / SURPLUS</b>	<b><u>\$ 49,466</u></b>	<b><u>-\$ 95,336</u></b>

*This Statement should be read in conjunction with the notes to the Financial Statements*



The Veterinary Council of New Zealand

Page 4

**STATEMENT OF MOVEMENTS IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 \$	2010 \$
Net (Deficit) / Surplus for the year	49,466	-95,336
<b>Total Recognised Revenues and Expenses for the Period</b>	<u>49,466</u>	<u>-95,336</u>
Equity at the start of the year	445,732	541,068
<b><u>EQUITY AT THE END OF THE YEAR</u></b>	<b><u>\$ 495,198</u></b>	<b><u>\$ 445,732</u></b>

*This Statement should be read in conjunction with the notes to the Financial Statements*



**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2011**

	NOTE	2011 \$	2010 \$
<b><u>EQUITY</u></b>		<b><u>\$ 495,198</u></b>	<b><u>\$ 445,732</u></b>
<i>Represented By:</i>			
<b><u>CURRENT ASSETS</u></b>			
Bank		151,515	138,695
Receivables & Prepayments		4,831	4,593
Deposits -On Call and Term	2	589,333	488,719
Interest Receivable		4,554	6,492
GST Receivable		2,779	8,306
		<u>753,012</u>	<u>646,805</u>
<b><u>Less CURRENT LIABILITIES</u></b>			
Accounts Payable & Accruals		126,882	136,345
Fees Received in Advance		234,714	179,620
		<u>361,596</u>	<u>315,965</u>
<b>WORKING CAPITAL SURPLUS</b>		<b>391,416</b>	<b>330,840</b>
<b><u>NON CURRENT ASSETS</u></b>			
Property, Plant & Equipment	3	103,782	114,892
		<u>103,782</u>	<u>114,892</u>
<b><u>NET ASSETS</u></b>		<b><u>\$ 495,198</u></b>	<b><u>\$ 445,732</u></b>

  
\_\_\_\_\_  
Chairperson

  
\_\_\_\_\_  
Chief Executive Officer

29-2-12  
\_\_\_\_\_  
Date

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 1. STATEMENT OF ACCOUNTING POLICIES

#### Reporting Entity

The Veterinary Council of New Zealand is governed by the Veterinarians' Act 2005.

The Council prepares financial statements in accordance with its reporting requirements and New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with Financial Reporting Standards (FRS). New Zealand equivalents to International Financial Reporting Standards (NZIFRS) have not been adopted.

#### Disclosure Exemptions Under Differential Reporting

The Council is a qualifying entity within the New Zealand Institute of Chartered Accountants differential reporting framework.

The Council qualifies under the public accountability and size criteria.

The Council has taken advantage of all exemptions available to it.

#### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of income and expenditure on an historical cost basis have been adopted, insofar as they apply to the Council.

#### Specific Accounting Policies

The following specific accounting policies which materially effect the measurement of the financial performance and financial position have been adopted.

#### Annual Practising Fees

The Annual Practising Fee is charged for the period from 1 April to 31 March.

Because these financial statements are for the period 1 January to 31 December, Annual Practising Fee income is recognised on an accrual basis.

The \$233,653 shown on page 5 represents three months fee income in advance that will be recognised in the months January to March 2012.

#### Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, except for accounts receivable and accounts payable.

#### Valuation of Property, Plant & Equipment

Property, Plant & Equipment have been valued at cost less accumulated depreciation to date.

#### Depreciation

Rates of depreciation applied to the property, plant & equipment in the financial statements are:

Office Equipment	9.0 - 80.4% DV
Office Furniture & Fittings	7 - 39.6% DV
Reference Library	26% DV

#### Accounts Receivable

Accounts Receivable are stated at net realisable value after due allowance for uncollectable debts.

#### Taxation

The Council is exempt from paying income tax under sCW 50(2) of the Income Tax Act, 2007.

#### Changes in Accounting Policy

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in previous years.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 2. DEPOSITS - ON CALL AND TERM

	2011 \$	2010 \$
<b>Current portion</b>		
ASB Term Deposits (Fixed Term)	211,106	105,765
BNZ Term Deposits (Fixed Term)	166,585	117,266
Nat Term Deposits (Fixed Term)	211,642	265,688
Total Deposits	<u>589,333</u>	<u>488,719</u>

The Veterinary Council has a credit card facility with the Bank of New Zealand. The credit card limit is \$8,500

### 3. PROPERTY, PLANT & EQUIPMENT & DEPRECIATION SCHEDULE 2011

	Original Cost	Additions/ Sales (net)	Deprn	Accum Deprn	Book Value
Office Equipment	41,993	5,107	3,324	38,455	8,645
Furniture & Fittings	159,151	-	12,890	64,021	95,130
Reference Library	673	-	2	666	7
	<u>201,817</u>	<u>5,107</u>	<u>16,216</u>	<u>103,142</u>	<u>103,782</u>

#### 2010

	Original Cost	Additions/ Sales (net)	Deprn	Accum Deprn	Book Value
Office Equipment	39,793	2,200	3,550	35,131	6,862
Furniture & Fittings	159,151	-	15,575	51,131	108,020
Reference Library	673	-	3	663	10
	<u>199,617</u>	<u>2,200</u>	<u>19,128</u>	<u>86,925</u>	<u>114,892</u>

### 4. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	2011	2010
Capital expenditure commitments contracted for at balance date are:	Nil	Nil

### 5. RELATED PARTIES

Members of Council who are registered Veterinarians deal with the Council as part of their ordinary course of business as veterinarians.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011****6. OPERATING LEASE COMMITMENTS**

Non-cancellable operating lease rentals (inclusive of GST) are payable as follows:

	<b>2011</b>	<b>2010</b>
Current	86,554	86,554
Non-current	<u>411,774</u>	<u>498,328</u>
	<b>498,328</b>	<b>584,882</b>

The Council entered into a lease for new premises in December 2008. The term of this lease is nine years from the commencement date of 22 December 2008.

The Council entered into a lease on a new photocopier in October 2009. The term of the lease is five years from the commencement date of 9 October 2009.

**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of the Veterinary Council of New Zealand**

We have audited the financial statements of the Veterinary Council of New Zealand on pages 1 to 8, which comprise the statement of financial position as at 31 December 2011, and the statement of financial performance and statement of movements in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

***Council's Responsibility for the Financial Statements***

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand).

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Other than in our capacity as auditor, we have no relationship with, or interests in, the Veterinary Council of New Zealand.

***Opinion***

In our opinion, the financial statements on pages 1 to 8 present fairly, in all material respects, the financial position of the Veterinary Council of New Zealand as at 31 December 2011 and its financial performance for the year then ended in accordance with generally accepted accounting practice in New Zealand.



29 February 2012  
PKF Martin Jarvie  
Wellington

## **VCNZ contact information**

Chair: Ron Gibson

Registrar/CEO: Janet Eden

Council Office:

Level 11, 109 Willis Street, PO Box 10563, Wellington 6143

Phone: +64 4 473 9600

Fax: + 64 4 473 8869

e-mail: [vet@vetcouncil.org.nz](mailto:vet@vetcouncil.org.nz)

website: [www.vetcouncil.org.nz](http://www.vetcouncil.org.nz)