

VETERINARY COUNCIL
OF NEW ZEALAND

Te Kaunihera Rata Kararehe o Aotearoa



VETERINARY COUNCIL OF NEW ZEALAND

ANNUAL REPORT

2019/2020



We are pleased to present this report to the Minister of Agriculture under section 86 of the Veterinarians Act 2005.

CONTENTS

About Us	3	Fitness to Practise	15
Our Strategy 2019–2024	4	Health	15
The Council	5	Competence.....	15
From the Chair	8	Notifications and Complaints	16
Highlights	10	Discipline.....	17
Registration and Recertification	11	Communications and Liaison	18
General Registration	11	Finance and Risk.....	19
Specialist Registration	11	Auditor’s Report	20
Limited Registration	12	Entity Information	23
Annual Practising Certificates	12	Statement of Service Performance	25
Recency of Practice.....	13	Financial Report	26
International Accreditation.....	13	Contact Us.....	34
Professional Standards	14		





About Us

The Veterinary Council regulates the veterinary profession in New Zealand. We protect the public interest by ensuring veterinarians are competent to practise.

The Veterinarians Act 2005 charges us with:

- 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 training institutions for veterinarians
- Issuing veterinarians with annual practising certificates
- Dealing with concerns about veterinarians' performance, professional conduct or health and taking action where necessary
- Advising and making recommendations to the Minister of Agriculture and Massey University on matters related to veterinarians, veterinary education and veterinary science.

There are seven Council members, consisting of:

- **Three** veterinarians elected by the profession
- **One** veterinarian appointed by the Minister of Agriculture
- **Two** laypersons appointed by the Minister of Agriculture
- The Academic Director of the Veterinary Science Programme at Massey University.

We have a staff team of eight, led by our CEO and Registrar. We also rely on the support of veterinarians and members of the public to serve on our committees and advisory groups.

OUR STRATEGY 2019–2024

VETERINARY COUNCIL
OF NEW ZEALAND
Te Kaitiaki Take Kōwhiri o Aotearoa



Vision

*The world's
most trusted
veterinary
profession*

Mission

Leading New Zealand's
veterinary profession through:

*Setting, promoting and
upholding high standards*

*Timely and transparent
processes*

*Being fair, consistent and
compassionate*

*Fostering stakeholder
relationships*

Values

Together, we:

Collaborate
we work as a team

Care
we are considerate and fair

Adapt
*we develop ourselves
and our service*



Ko te pae tawhiti whāia kia tata, ko te pae tata whakamaua kia tīna
Seek out distant horizons and cherish those you attain

PROTECTION OF THE PUBLIC

Strategic Themes:

WELLBEING

The wellbeing of everyone we work with will be supported and at the forefront of our work. In 2024 veterinary professionals will be resilient and will see VCNZ as an organisation that cares about the profession and makes wellbeing a priority.

COMMUNICATION

VCNZ will be the go-to-body for lifting the standards of the veterinary profession in NZ, we will be trusted, appreciated and valued for the work that we do.

RELATIONSHIPS

We have excellent relationships with our stakeholders across the board.

QUALITY

We will continuously improve our systems, take the lead on setting professional standards and ensuring that everyone understands what is expected of a veterinary professional.

FUTURE SCANNING

VCNZ will be ready for new challenges facing the veterinary profession and the public.



The Council



Dr Lindsay Burton (Chair)

Lindsay was first appointed to the Council in May 2015 and has chaired it since March 2019. He has been appointed as a veterinary member by the Minister of Agriculture.

Lindsay graduated with a Bachelor of Veterinary Science from Massey University in 1975 and spent five years working in mixed animal practice. He joined the New Zealand Dairy Board in 1980, where he was involved in animal breeding. This was followed by a period as Principal Veterinarian at Livestock Improvement Corporation (LIC). Other roles he has held include Director of National Animal Identification and Traceability, Principal Scientist John's Disease Research Consortium, and Chair of the MPI Farm to Processor Animal Welfare Forum.

Lindsay has extensive expertise and experience in science-based decision making. He is a member of the Council's Professional Standards Committee and Finance and Risk Committee.



Dr Ben Davidson (Deputy Chair)

Ben has been a mixed/large animal practitioner for 16 years. He has also been a director of the Rangiora Vet Centre for 14 years, where his focus is on future-proofing the business and providing veterinary services to clients.

Ben's interest in governance and leadership started at Massey University, where he was the Veterinary Students' Association President. He spent seven years on the New Zealand Veterinary Association Sheep and Beef special interest branch, including two years as President. During this time, he worked to improve communication and introduce formal strategic planning.

Ben was elected to the Council in December 2016. He was previously a member of the Council's Complaints Assessment Committee.



Dr Rachel Gebbie

Rachel graduated from Massey in 2008. She completed an internship at Massey University and has spent several years in small animal practice around the country. She is a member of the Australian and New Zealand College of Veterinary Scientists in Small Animal Medicine.

Rachel is also a member of the Auckland Veterinary Society and the innovative 'NZ Women in Veterinary – Essential Solutions' group, supporting female veterinarians through mentorship, business and leadership advice, and emotional support.

Rachel is passionate about creating a sustainable future for vets in Aotearoa. She was elected to the Council in December 2016.



Mr Zach Mounsey

Zach was appointed as a non-veterinary member of the Council by the Minister of Agriculture. He is passionate about growing the value of New Zealand's primary industries and influencing their long-term sustainability. Zach graduated from the University of Waikato with a Bachelor of Management Studies, where he added financial, economic and business disciplines to his farming knowledge.

He has held roles in public trading and finance at Fonterra in the office of the CFO. He has also worked at DairyNZ as an economist and followed that with an inaugural corporate support role to the Chief Executive before joining Happy Valley Milk. Zach spent time abroad with Harvard Business School developing his leadership and strategic capability.

He is a member of our Finance and Risk Committee.



Dr Julie Everett-Hincks

Julie was appointed as a non-veterinary member of the Council by the Minister of Agriculture. She is a Manager Science at Otago Regional Council, has a PhD in animal science, and previously worked as a senior scientist at AgResearch, before completing her law degree. Prior to taking up her current role, Julie acted as an advisor to the Royal Society Te Apārangi's Gene Editing Panel.

Julie's work on improving lamb survival won her national recognition and she was the first woman to receive the Sir Arthur Ward award in 2016 from the New Zealand Society of Animal Production.

Julie is a member of our Professional Standards Committee.



Dr Nick Twyford Until December 2019

Nick is a full-time companion animal clinician and Director of Franklin Vets in Auckland. He achieved Australian College membership in 1989 and was a member of the Companion Animal Society (CAS) Executive when it was Auckland-based. He was also involved in developing the early CAS clinic and hospital standards.

Nick first became involved with the Council when he joined a Complaints Assessment Committee (CAC) in 1996. He has a strong interest in professional standards and played a major role in the revision of the Code of Professional Conduct for Veterinarians in 2011.

Nick was first elected to the Council in 2010 and was re-elected in 2013 and 2016. He was Chair of the Council between 2015 and 2019.



Dr Jenny Weston

Jenny is the Dean of Veterinary Sciences at Massey University. She graduated from Massey in 1994 and worked in clinical practice (mainly dairy) in Taranaki for eight years before returning to Massey to run the Farm Services Clinic for 10 years. She then coordinated the final year clinical rosters for the BVSc students for several years before her appointment as Associate Dean (BVSc) in 2015 and then Dean in May 2016.

Jenny also earned a Bachelor of Philosophy during her undergraduate training at Massey. Since her return to Massey she has undertaken further education in veterinary epidemiology (leading to Membership of the ANZCVS) and completed a PhD on diagnosis and control of Neospora caninum abortion in cattle. More recently she has completed a Postgraduate Diploma in Educational Administration and Leadership.

Jenny has been on the Executive of the Dairy Cattle Veterinarians Branch of the New Zealand Veterinary Association since 1997. She was a member of the New Zealand Veterinary Association Board for six years, including one term as President.



Dr Sara Bagheri From December 2019

Sara is a mixed practice veterinarian and graduated from the RVC in 2006. She worked in the UK and Middle East before moving to New Zealand 12 years ago. She is passionate about sports medicine, biomechanics and wellness. She runs a veterinary sports medicine and rehabilitation practice and training centre in Canterbury from which she treats equines and canines and offers training to vets, paraprofessionals and owners.

Sara is passionate about veterinary team wellbeing and is an advocate for positive change within the profession to promote this.

Sara was elected to Council in 2019. In her spare time she enjoys travelling, music, baking, and exploring New Zealand on horseback.



From the Chair

Thank you for taking the time to read the Veterinary Council of New Zealand Annual Report. I would like to start by thanking veterinarians across Aotearoa for their hard work during the challenges of the past year. Despite the extreme and unpredictable circumstances, veterinarians have continued to protect animal and public health, and deliver care of the highest standard.

When the financial year ended in March 2020, we were thrust into a nationwide lockdown and faced the impact of a global pandemic that nobody in living memory had encountered. As well as presenting many obstacles for veterinarians in their daily work, our closed borders contributed to a significant shortage of qualified vets in New Zealand. We are still working with Immigration New Zealand to address this shortage.

In recognition of the impact of the COVID-19 pandemic, we have strengthened our efforts to support the wellbeing of New Zealand veterinarians. This activity has included increased mentoring support for new graduates and work on producing a Wellbeing Framework for veterinary professionals. Development of the framework will involve collaboration between VCNZ and other organisations involved in the veterinary profession. While we have kickstarted this initiative, a partnership approach will be important in improving the physical and mental wellbeing of veterinary professionals for the long term.

Last year, we announced changes to our Continuing Professional Development (CPD)

requirements. Our aim was to simplify the system, improve its effectiveness and make it less time consuming for vets to record their CPD work. This project has led to extensive research and VCNZ work being published in the peer reviewed NZ Veterinary Journal for the first time. We see this as a particularly positive move for evidence-based decision making in the future.

The Professional Standards Committee has made good progress in finishing its review of the Veterinary Medicines section of the Code of Professional Conduct. It has also begun work on reviewing the Animal Welfare section. Both are important parts of the Code and have a major impact on veterinarians in clinical practice. The reviews aim to ensure standards are up-to-date, relevant, usable and useful for practising veterinarians.

VCNZ has also been working to improve how it communicates and has developed a comprehensive communications strategy to guide the organisation over the next 12 months. It supports our focus of improving the wellbeing of vets and aligns closely with the Council's five-year strategy (available on our website www.vetcouncil.org.nz). The feedback



we have received from stakeholders so far has been very positive.

In November 2019, the profession elected Dr Sara Bagheri to the Council. Dr Bagheri is a welcome addition and brings a wealth of knowledge to the table. We value her input immensely. The election also saw Dr Nick Twyford stand down from the Council after nine years of service. Prior to this, he had worked for VCNZ in a variety of ways including as Chair of the Complaints Assessment Committee. Dr Twyford's contribution to VCNZ cannot be overstated and his contributions will be sadly missed by us all. We wish him the very best for his next endeavours.

Finally, I extend my thanks to our great staff team who have managed our business and supported the profession through a very difficult period. This has been strongly assisted by Council members and everyone on our committees providing their support and dedication to our work over the last year.

Lindsay Burton

Highlights

3054

practising
vets

282

new
registrants

6

new
specialists

1

publication
accepted in a
peer reviewed
journal

19

presentations to
the profession

21

articles and
e-updates
published



Registration and Recertification

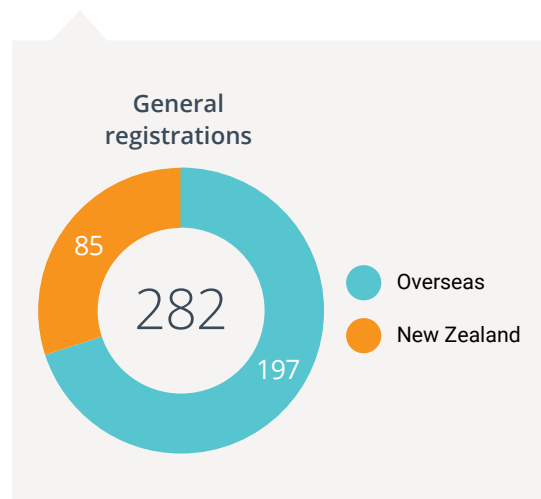
To work and use the title “veterinarian” in Aotearoa, veterinarians must be registered and hold an annual practising certificate. Registration does not expire but annual practising certificates must be renewed each year.

VCNZ is responsible for:

- Registering veterinarians and veterinary specialists
- Accrediting and approving veterinary education programmes and assessments that qualify a person for registration
- Re-certifying veterinarians by issuing annual practising certificates
- Ensuring those returning to practice after a break have enough support to return safely and smoothly.

General Registration

There were 282 new registrations in 2019-20.



Specialist Registration

There were six specialist registrations.

These were in the fields of:

- Veterinary emergency medicine and critical care
- Small animal surgery
- Veterinary sports medicine and rehabilitation
- Veterinary ophthalmology
- Veterinary reproduction (equine).



Limited Registration

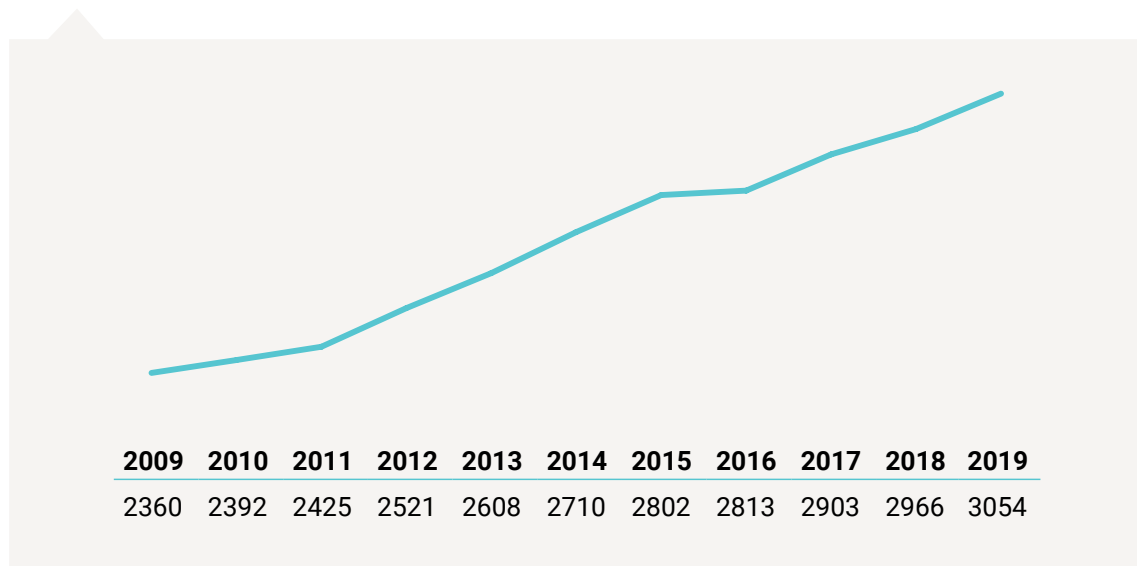
The Veterinarians Act allows for limited registration in some circumstances for those who would not otherwise be eligible for registration. This provides some flexibility to meet particular needs and respond to special circumstances. More information on the scopes of limited registration that are available can be found on our website.

This year we granted three new limited registrations, one in each of the Postgraduate, Industry and Restricted Purpose scopes.



Annual Practising Certificates

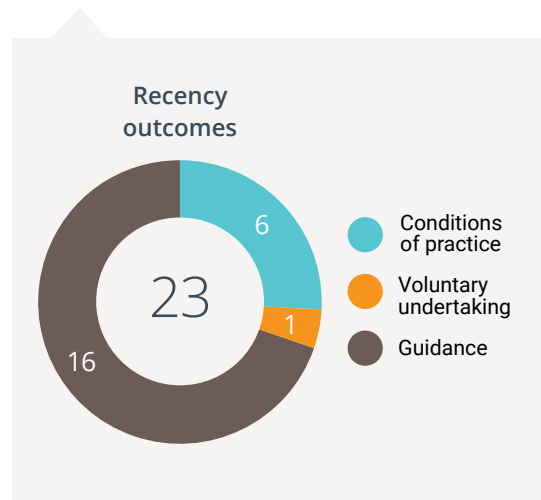
3,054 Number of practising veterinarians (as at 30 June)



Recency of Practice

We require veterinarians to seek approval to work, where they have not practised as a veterinarian for three or more years, or if they are switching to a new field of work. This is to make sure there is sufficient support in place to allow them to develop or refresh the skills needed.

In most cases we issue guidance to the veterinarian. In cases where oversight is needed, we invite veterinarians to enter into a voluntary undertaking or agree to conditions on their practice, normally relating to supervision, oversight and ongoing learning.



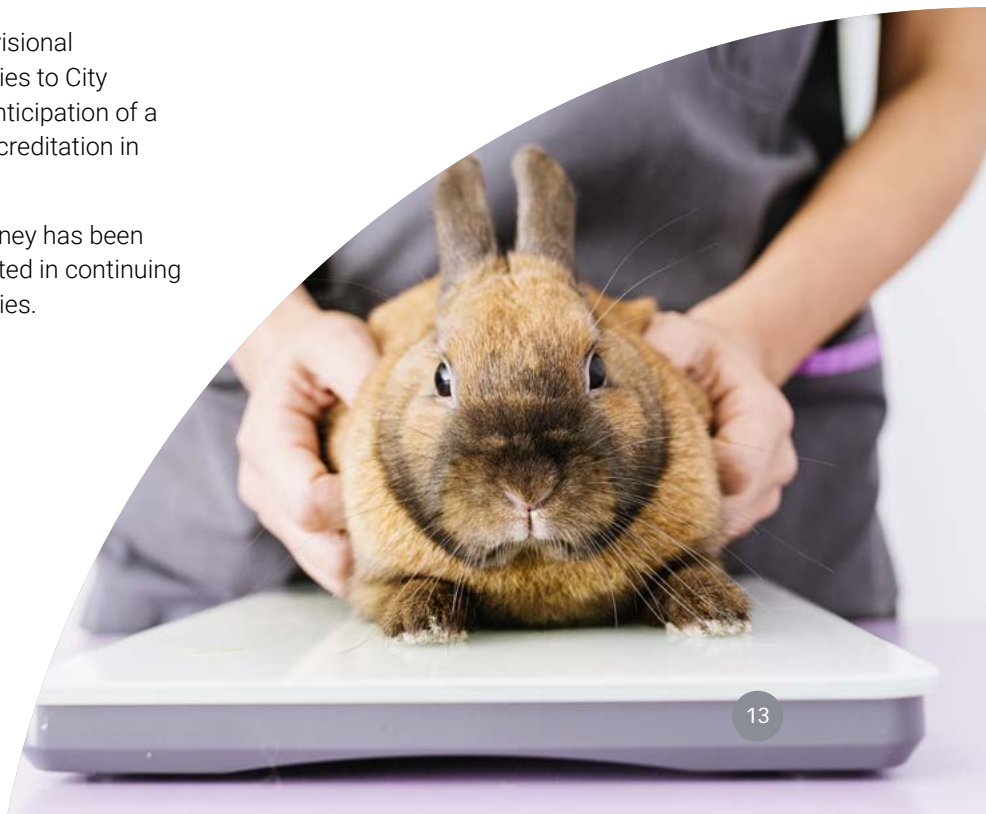
International Accreditation

VCNZ is a member of the Australasian Veterinary Boards Council Inc (AVBC) along with most state and territory veterinary regulators in Australia. AVBC carries out the accreditation of veterinary education programmes on behalf of its members but VCNZ makes the final decision on whether to accept a veterinary degree for registration in New Zealand.

In 2019-20, one new veterinary programme was accepted for registration purposes - the Bachelor of Veterinary Medicine and Science from the University of Surrey.

AVBC also granted continued provisional accreditation with minor deficiencies to City University Hong Kong. This is in anticipation of a full site visit and potentially full accreditation in the future.

A site visit to the University of Sydney has been conducted by AVBC and this resulted in continuing accreditation with minor deficiencies.



Professional Standards

VCNZ is responsible for setting the minimum standards for practising as a veterinarian, as well as promoting high standards of professional education and conduct.

Much of our professional standards work is carried out by the Professional Standards Committee.

The committee members in 2019/20 were:

- Dr Rachel Gebbie (Chair)
- Dr Nick Twyford (until December 2019)
- Dr Lindsay Burton
- Dr Helen Beattie
- Dr Katie Grant
- Dr Bernice Mangal
- Dr Wayne Ricketts
- Dr Tony Zohrab
- Dr Julie Everett-Hincks
- Mr Andrew Hoggard

Committee business is also attended by the Registrar and Professional Advisor.

The Committee finished its review of the Veterinary Medicines section of the Code of Professional Conduct, which came into effect on 1 January 2020, and started a review of the Animal Welfare section of the Code.

During the year, VCNZ conducted research to guide its review of the Continuing Professional Development (CPD) programme and to help develop a new graduate veterinarian support programme. This research led to four articles being published in peer reviewed journals, including one in the 2019-20 year. A proposal covering both CPD and new graduate support was developed but consultation was postponed due to COVID-19 and the national lockdown.



Fitness to Practise

Health

Supporting the good physical and mental health of veterinarians is a vital part of our role. We work with the New Zealand Veterinary Association to offer all veterinarians free access to a confidential, 24-7 counselling service.

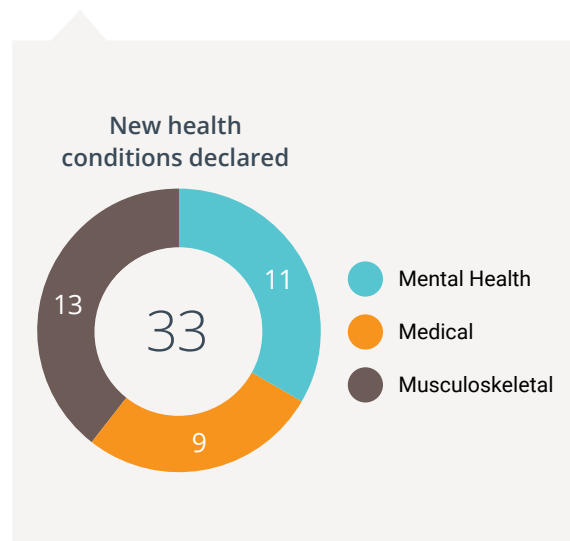
Our health processes focus on early intervention and rehabilitation. The approach is non-judgmental and confidential.

We operate a Health Advisory Group, made up of a medical advisor, a Council layperson and the Professional Advisor (veterinarian staff member). The Registrar takes advice from the group and can enter into voluntary agreements with veterinarians whose health is impaired. Agreements might require the veterinarian to undergo medical assessments or comply with any requirements considered necessary to ensure their safe practice.

If a veterinarian is considered to lack insight into their condition or is uncooperative, the case can be referred to the Council, which can exercise its statutory powers to protect public interest if necessary.

Competence

We promote ongoing competence through our professional standards work and annual recertification. This includes a requirement for veterinarians to engage in continuing professional development. When a veterinarian's competence is questioned, we can conduct a preliminary competence inquiry or a competence assessment.



In 2019-20, a total of 100 veterinarians reported to us that they had a condition that could affect their practice. This included 33 veterinarians reporting new conditions which covered mental health, medical and musculoskeletal issues.

There were 11 veterinarians practising subject to a voluntary undertaking related to their health. Two of these veterinarians are being actively monitored in relation to substance dependence issues.

Preliminary competence inquiries involve a 2-3 hour visit to a veterinarian's practice to gain a better understanding of their practising context and to gather enough information for the Council to decide if a competence assessment is required. Competence assessments are carried out by a small team, including veterinarians and at least one layperson. These normally include a day-long assessment

at the veterinarian's place of work and will involve gathering additional information about their work. Neither process is disciplinary in nature and each is designed to be evaluative, educational and rehabilitative.

In 2019-20, we carried out two competence assessments. One assessment resulted in conditions being placed on a veterinarian's practice and the other resulted in no further action being needed.

Membership of the last year's Competence Assessment Teams included:

- Dr Stuart Bruère (Convenor)
- Dr Stuart Burrough (Convenor)
- Dr Rob Mills
- Ms Rachel Kent.

Notifications and Complaints

The Veterinarians Act requires complaints about veterinarians to be referred to a Complaints Assessment Committee (CAC). We also operate a Notifications Review Group (NRG) which considers concerns raised by people who do not wish to make a formal complaint about a veterinarian. This allows for a faster and less formal resolution of concerns.

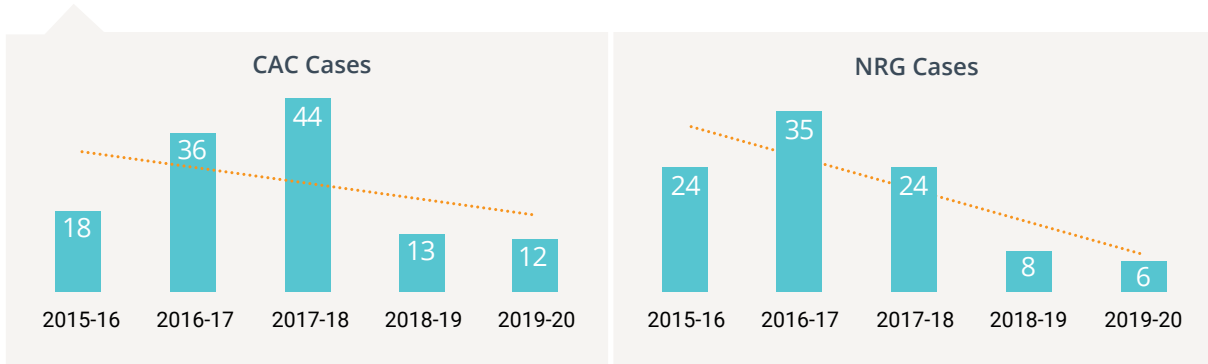
The aim of these processes is to protect public interest. The Council encourages CACs and the NRG to focus on preventing future harm through education and rehabilitation where possible. In a small number of serious cases, disciplinary action may be needed and a CAC can lay charges against a veterinarian before the Judicial Committee.

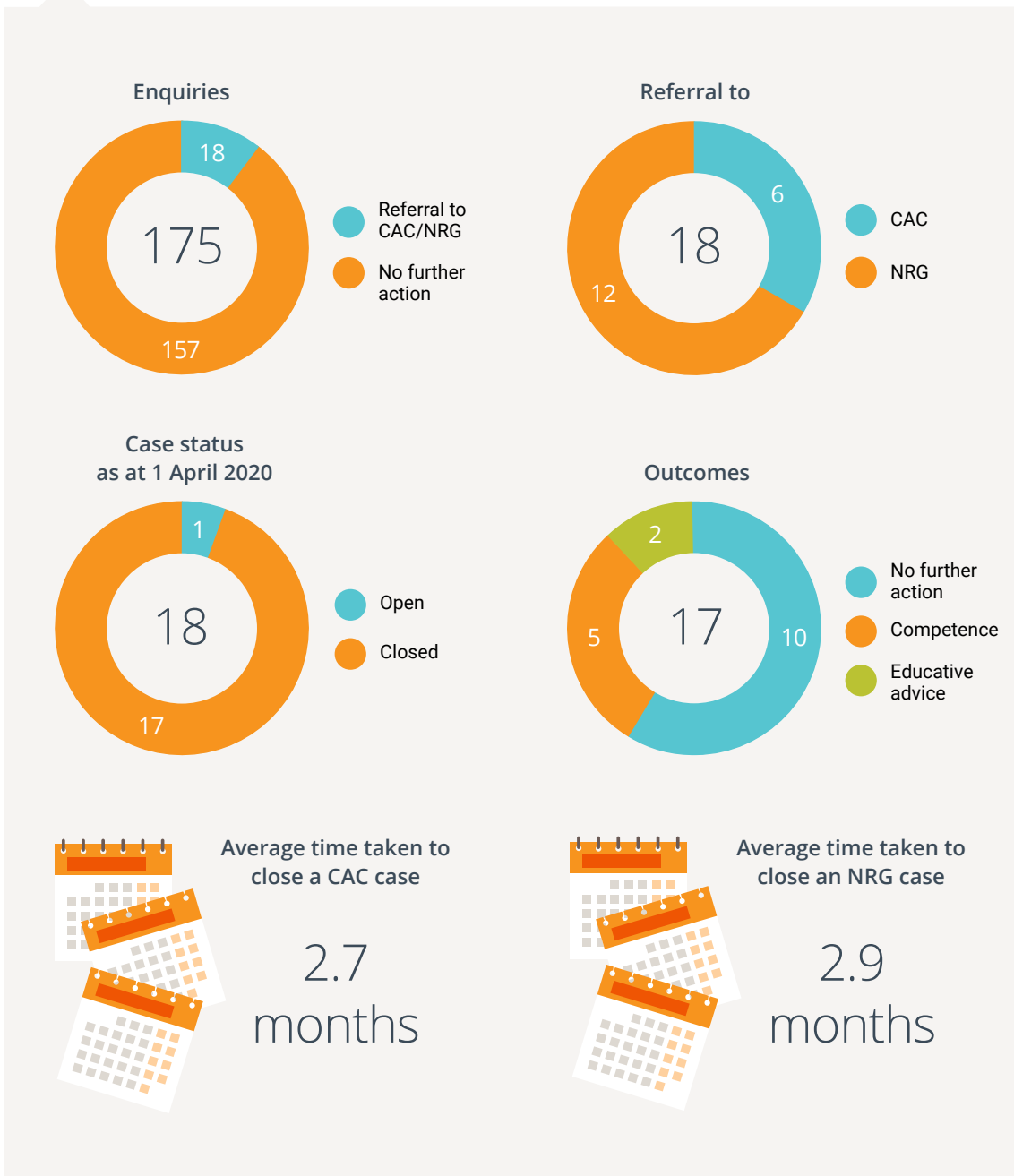
In 2019-20, members of the CAC were:

- Dr Mark Simpson (Chair)
- Ms Susan D'ath
- Dr Warwick Baldwin
- Dr Philip Watson (Chair)
- Ms Sue Beggs
- Dr Neil Houston
- Dr Seton Butler (Chair, resigned in January 2019)
- Ms Ruth Renner
- Dr Stephen Hopkinson
- Dr Brendon Bullen
- Dr Kylie Lawson

Members of the NRG were:

- Dr Stuart Burrough (Chair)
- Dr Emma Cuttance
- Dr Craig Hunger
- Ms Helen Ridley





Discipline

When a CAC decides to lay charges, a Judicial Committee is convened to consider the case. It must have 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 practice that is the subject of the original complaint.

In 2018-19 there was one disciplinary hearing held. It related to a complaint about a veterinarian's handling of a possible emergency situation. The Judicial Committee found the charge was not established and no further action was taken. Details are available on our website.

Charges were laid against another veterinarian. However, these were withdrawn by the CAC.

Communications and Liaison

Good communication is crucial to our work and we continue to make it a priority. This year, we focussed on improving our face-to-face contact with the profession by continuing a series of 19 presentations around the country.

We held a question and answer session in Dunedin, attended by the Council members, in November 2019. This was part of our ongoing efforts to connect with veterinarians, improve understanding of our role, and hear from the profession.

We published regular email updates to the profession throughout the year and contributed to the New Zealand Veterinary Association's *Vetscript* magazine.

Our new website was launched in early 2020, with ongoing work taking place to ensure it is as useful and accessible as possible for veterinarians and the public.

We developed a new communications strategy, which was finalised in the 2020-21 financial year.

We also continued to work closely with our stakeholders including:

- Continued participation in the Australasian Veterinary Boards Council.
- Engagement with Massey University School of Veterinary Science, including presenting to final year veterinary students.
- Regular contact and engagement with the Ministry of Primary Industries, particularly in the areas of animal welfare, agricultural compounds and veterinary medicines, and verification services.
- Quarterly meetings with the Veterinary Professional Insurance Society.
- Liaison with other New Zealand regulators.
- Liaison with the Australian and New Zealand College of Veterinary Surgeons.
- Liaison with the Allied Veterinary Professional Regulatory Council and other groups from the veterinary sector.
- Liaison with international veterinary regulators as well as regulators of other professions through the Council on Licensure, Enforcement and Regulation.

Finance and Risk

The Council exercises oversight of our finance and risk activities and has appointed a Finance and Risk Committee to assist it. The Committee oversees our financial management, reporting, control and audit work as well as monitoring risk.

This year, the committee members were:

- Ben Davidson (Chair)
- Lindsay Burton
- Zach Mounsey
- Richard Wild



Baker Tilly Staples Rodway Audit Limited
Level 6, 95 Customhouse Quay, Wellington 6011
PO Box 1208, Wellington 6140
New Zealand

T: +64 4 472 7919
F: +64 4 473 4720
E: wellington@bakertillysr.nz
W: www.bakertillysr.nz



INDEPENDENT AUDITOR'S REPORT

To the Members of Veterinary Council of New Zealand

Report on the Audit of the Performance Report

Opinion

We have audited the performance report of Veterinary Council of New Zealand ('the Council'), which comprises the statement of financial position as at 31 March 2020, and the entity information, statement of financial performance and statement of cash flows for the year then ended, and the statement of accounting policies and other explanatory information.

In our opinion, the performance report presents fairly, in all material respects, the entity information and the service performance for the year ended 31 March 2020, the financial position of the Council as at 31 March 2020, and its financial performance and its cash flows for the year then ended in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-for-Profit) ('PBE SFR-A (NFP)').

Our report is made solely to the Members of the Council. Our audit work has been undertaken so that we might state to the Members of the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members of the Council as a body, for our audit work, for our report or for the opinions we have formed.

Basis for Opinion

We conducted our audit of the statement of financial position, statement of financial performance, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report. We are independent of the Council in accordance with Professional and Ethical Standard 1 (Revised) *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Baker Tilly Staples Rodway Audit Limited, incorporating the audit practices of Christchurch, Hawkes Bay, Taranaki, Tauranga, Waikato and Wellington.

Baker Tilly Staples Rodway Audit Limited is a member of the global network of Baker Tilly International Limited, the members of which are separate and independent legal entities.



Impact of Covid-19

Without modifying our opinion, we draw readers' attention to the disclosures about the impact of Covid-19 on the Veterinary Council as set out in Note 9 to the performance report.

Responsibilities of the Council for the Performance Report

The Council is responsible for:

- Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- The preparation and fair presentation of the performance report on behalf of the Council, which comprises the statement of financial position as at 31 March 2020, and the entity information, the statement of service performance, statement of financial performance and statement of cash flows for the year then ended, and the statement of accounting policies and other explanatory information, in accordance with PBE SFR-A (NFP), and
- Such internal control as the Council determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents fairly the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



BAKER TILLY STAPLES RODWAY AUDIT LIMITED

Wellington, New Zealand

1 December 2020

Entity Information

Legal name	Veterinary Council of New Zealand
Type of entity and legal basis	The Veterinary Council of New Zealand (the Council) is the statutory body established under the Veterinarians Act 2005 (the Act) to regulate veterinarians. The Council is a registered charity.
Purpose and functions	<p>The Council upholds veterinary standards to protect animals, people and veterinary professionals. It achieves this by:</p> <ul style="list-style-type: none"> • accrediting and monitoring the institutions that train veterinarians • registering veterinarians who are properly trained and qualified • setting and monitoring the standards veterinarians must meet • promoting high standards of veterinary education and conduct • annually re-certifying veterinarians • reviewing and acting on, where necessary, concerns about a veterinarian's performance, professional conduct or health • advising and making recommendations to the Minister for Primary Industries and Massey University on matters related to veterinarians, veterinary education and the practice of veterinary science.
Council structure	<p>There are seven Council members. Three veterinarian members are elected by veterinarians. Two laypeople and one veterinarian are appointed by the Minister of Agriculture. The Academic Director of the Veterinary Science programme at Massey University is also a member.</p> <p>The Chair and Deputy Chair are elected annually by the Council at its first meeting of the year.</p> <p>Council members during 2019/20 were:</p> <ul style="list-style-type: none"> • Dr Lindsay Burton, Chair – Ministerial veterinarian appointee. Current term ends May 2021. • Dr Ben Davidson, Deputy Chair – Elected veterinary member. Current term ends December 2022. • Dr Nick Twyford – Elected veterinary member. Term ended December 2019. • Associate Professor Jenny Weston – Massey University Academic Programme Director. Term began May 2016. • Mr Zach Mounsey – Ministerial non-veterinary appointee. Current term ends March 2022. • Dr Julie Everett-Hincks – Ministerial non-veterinary appointee. Current term ends October 2021. • Dr Rachel Gebbie – Elected veterinary member. Current term ends December 2022. • Dr Sara Bagheri – Elected veterinary member. Current term ends December 2022. <p><i>/continued over</i></p>

Entity Information

/continued

Council structure

The Council met four times during the year to 31 March 2020. This included one meeting held by video conference.

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

The Council is supported by a Wellington based staff team, led by the CEO & Registrar. The staff team are responsible for the Council's operations.

Main sources of revenue

Eighty seven percent of the Council's revenue comes from the annual practising certificate application fees paid by veterinarians. Additional sources of funding include:

- Fees from applicants for veterinary registration
 - Fees from for the issue of letters of good standing
 - Cost recovery from disciplinary hearings.
-

VETERINARY COUNCIL OF NEW ZEALAND

Statement of Service Performance

The outcomes we aim for

The Council's 2016–2020 Strategic Plan identifies the following three goals:

- Continue to develop policies and processes so the functions of the Veterinarians Act 2005 are fully implemented and based on proven regulatory practice.
- Achieve best practice in governance and management.
- Improve engagement and communications with key stakeholders to foster trust and confidence.

In the 2019-2020 year, the Council developed a new strategic plan for the 2019-2024 period. The new plan focuses on the Council's vision of New Zealand veterinarians as the world's most trusted veterinary profession and its mission to lead New Zealand's veterinary profession through:

- Setting, promoting and upholding high standards
- Timely and transparent processes
- Being fair, consistent and compassionate
- Fostering stakeholder relationships.

The new strategic plan will be reported on in future annual reports.

Outputs	Performance standard	Actual 2019/20	Actual 2018/19
Number of veterinary education programmes accredited or re-accredited (as meeting the qualification requirements for veterinary registration)	estimated 2	1	2
Register an estimated 200 veterinarians who are properly trained and qualified	estimated 200	282	286
Percentage of eligible applicants for general registration registered within five days of receipt of complete application	95%	93%	96%
Maintain an up-to-date online Register of Veterinarians	Updated daily	Achieved	Achieved
Maintain a rolling review of the Code of Professional Conduct and other Council statements on professional standards	1 -2 sections of the Code reviewed per year	Achieved	Achieved
Number of enquiries received about veterinary conduct	100	175	
Number of formal complaints received about veterinarians	25	12	13
Number of notifications received about veterinarians	25	6	8
Number of training days for Council and Committee members	4	4	4
Number of face-to-face presentations to the profession	10	19	20
Number of Council e-updates and articles published	20	21	23
Percentage of formal complaint decisions issued within six months of receipt of complaint	50%	65%	27%
Percentage of formal complaint decisions issued within nine months of receipt of complaint	80%	76%	68%
Percentage of notification decisions issued within four months of receipt of notification	80%	83%	71%
Percentage of recommendations from complaints and notifications followed up on with the veterinarian(s) involved	100	100	Data not collected

Statement of Financial Performance

For the Year Ended 31 March 2020

	Notes	2020 MARCH \$	2019 MARCH \$
Revenue			
Fees and other revenue from registrants	1	1,694,595	1,646,955
Interest income		39,511	39,845
Insurance Recoveries		–	61,034
Other revenue		–	155
Total revenue		1,734,106	1,747,989
Expenses			
Employment expenses		702,399	814,321
Accounting fees		8,000	8,000
Audit fees		9,335	7,110
Depreciation & Loss on Disposal/Sale	3	56,186	37,800
Property rental		87,582	86,528
Other operating expenses		124,747	123,982
Diligent Boards		17,766	16,920
NZ Veterinary exams		–	–
AVBC Inc		82,906	84,838
Council		74,881	108,697
Health		5,391	9,391
Complaints Assessment Committee		36,935	113,457
Judicial proceedings		51,983	152,552
Competence assessment		25,593	13,006
Professional Standards		29,632	19,672
Communications		11,111	14,749
Council planning & training		2,470	7,205
Annual practicing certificate		42,580	4,542
Liaison		15,475	15,600
Notifications Review Group		3,025	2,966
VCNZ Elections		1,650	–
Total expenses		1,389,647	1,641,336
Surplus (Deficit) for the period		\$344,459	\$106,653

This financial statement should be read in conjunction with the accompanying accounting policies and notes.

VETERINARY COUNCIL OF NEW ZEALAND

Statement of Financial Position

For the Year Ended 31 March 2020

	Notes	2020 MARCH \$	2019 MARCH \$
Assets			
<i>Current Assets</i>			
Bank accounts and cash		1,655,884	1,136,841
Receivables and accrued income		6,876	49,458
Prepayments		77,159	92,298
Investments	2	1,024,515	1,407,170
Interest receivable		6,149	8,775
Total current assets		2,770,584	2,694,542
<i>Non-Current Assets</i>			
Property, plant and equipment	3	35,394	42,134
IT Development		275,570	9,230
Total non-current assets		310,964	51,364
Total assets		3,081,549	2,745,907
Liabilities			
<i>Current Liabilities</i>			
Accounts payable and accruals	4	67,665	101,977
Employment entitlements	4	60,272	72,926
GST payable		154,520	132,457
Fees received in advance		1,445,928	1,429,843
Total current liabilities		1,728,384	1,737,201
Total liabilities		1,728,384	1,737,201
Net Assets		\$1,353,165	\$1,008,706
<i>Accumulated Funds</i>			
Accumulated surplus		1,353,165	1,008,706
Total accumulated funds		\$1,353,165	\$1,008,706



Chair



Chief Executive Officer

30 November 2020

Date

This financial statement should be read in conjunction with the accompanying accounting policies and notes.

Statement of Cashflows

For the Year Ended 31 March 2020

	2020 MARCH \$	2019 MARCH \$
Cash Flows from Operating Activities		
<i>Cash was received from:</i>		
Fees, subscriptions and other receipts from registrants	1,753,262	1,699,728
Interest income	42,137	39,277
Other income	–	155
Insurance proceeds	–	61,034
Investments withdrawals	382,655	–
GST	17,051	(1,638)
<i>Cash was applied to:</i>		
Payments to suppliers and employees	1,360,276	1,660,443
Net Cash Flows from Operating Activities	834,829	138,113
Cash Flows from Investing and Financing Activities		
<i>Cash was received from:</i>		
Sale of property, plant and equipment	–	–
<i>Cash was applied to:</i>		
Acquisition of property, plant and equipment	13,161	25,938
Acquisition of IT development	302,625	1,683
Acquisition of investments	–	121,820
Net cash flows applied to investing and financing activities	(315,786)	(149,441)
Net increase/(decrease) in cash	519,043	(11,328)
Opening Cash	1,136,841	1,148,169
Closing Cash	1,655,884	1,136,841
This is represented by:		
Bank and Cash	\$1,655,884	\$1,136,841

This financial statement should be read in conjunction with the accompanying accounting policies and notes.

VETERINARY COUNCIL OF NEW ZEALAND

Statement of Accounting Policies

For the Year Ended 31 March 2020

STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Veterinary Council of New Zealand is governed by the Veterinarians' Act 2005. The Council has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal or less than \$2,000,000 for the last two annual reporting periods. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the Council will continue to operate as a going concern in the foreseeable future.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of income and expenditure on an accrual basis using historical cost have been adopted, in so far 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.

Revenue

Revenue is accounted for as follows:

Annual Practising Fees

The Annual Practising Fee is charged for the period from 1 April to 31 March. Annual Practising Fee income is recognised on an accrual basis. The \$1,445,928 shown in the Statement of Financial Position represents fee income in advance that will be recognised in the months April 2020 to March 2021. (2019 \$1,429,843 recognised in the months April 2019 to March 2020.)

Interest Income

Interest income is recognised on an accruals basis.

Other Income

All other income is accounted for on an accruals basis and accounted for in accordance with the substance of the transaction.

Goods and Services Tax

Veterinary Council of New Zealand is registered for GST. 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
Furniture & Fittings	7.2 - 39.6% DV
Reference Library	26% DV
Software Development	50% DV
Website Development	50% 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.

Bank Accounts and Cash

Bank accounts and cash comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Investments

Investments comprise short term deposits with less than 12 months to maturity.

Changes in Accounting Policy

There have been no changes in accounting policies during the annual reporting period (2019 NIL) other than noted above.

Notes to the Financial Statements

For the Year Ended 31 March 2020

NOTES TO THE PERFORMANCE REPORT

	2020 \$	2019 \$
1. Analysis of Revenue		
<i>Fees:</i>		
Practising fees	1,574,374	1,469,393
Application fees	112,502	107,312
Specialist application fees	1,570	942
Hearing cost & judicial fines recoveries	0	63,677
Letters of good standing	6,150	5,631
Total	1,694,595	1,646,955
2. Investments		
<i>Current portion:</i>		
ASB Term Deposits (Fixed Term)	345,549	549,596
BNZ Term Deposits (Fixed Term)	205,946	400,000
ANZ Term Deposits (Fixed Term)	473,020	457,573
Total Deposits	1,024,515	1,407,170

The Veterinary Council has a credit card facility with the Bank of New Zealand. The credit card limit is \$12,000.

VETERINARY COUNCIL OF NEW ZEALAND

Notes to the Financial Statements

For the Year Ended 31 March 2020

3. Property, plant and equipment and IT development

2020	Opening carrying amount	Purchases	Sales/ disposals adjustments	Current year depn & loss	Accum Depn	Closing carrying amount
<i>Property, plant & equipment</i>						
Office Equipment	16,717	8,729	90	11,424	93,240	14,022
Furniture & Fittings	20,615	4,384	488	3,675	39,618	21,372
Reference Library	-	-			672	-
	37,332	13,113	578	15,099	133,530	35,394

IT Development

Software Development	8,697			4,355	65,447	4,342
Database Development		302,625		36,510	36,510	266,115
Website Development	5,335			222	222	5,113
	14,032	302,625	-	41,087	102,179	275,570
Total	51,364	315,738	578	56,186	235,709	310,964

2019	Opening carrying amount	Purchases	Sales/ disposals adjustments	Current year depn & loss	Accum Depn	Closing carrying amount
<i>Property, plant & equipment</i>						
Office Equipment	6,500	20,171	-	9,954	83,167	16,717
Furniture & Fittings	17,854	5,767		3,006	40,604	20,615
Reference Library	1	-		1	672	-
	24,355	25,938	-	12,961	124,443	37,332
<i>IT Development</i>						
Software Development	15,404	1,200		7,907	61,095	8,697
Website Development	21,784	483	16,932	16,932	-	5,335
	37,188	1,683	16,932	24,839	61,095	14,032
Total	61,543	27,621	16,932	37,800	185,538	51,364

Notes to the Financial Statements

For the Year Ended 31 March 2020

	2020 \$	2019 \$
4. Analysis of liabilities		
<i>Accounts payable and accruals</i>		
Trade creditors	54,814	80,616
Accruals	12,851	21,361
Total	67,665	101,977

5. Capital commitments and contingent liabilities

Capital expenditure commitments contracted for at balance date are:	Nil	Nil
---	-----	-----

6. Related party transactions

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

Board member remuneration:	28,470	54,270
----------------------------	--------	--------

The Chair, Lindsay Burton agreed not to be reimbursed for his contributions to the Council for the year. The value of this time donated was approximately \$5617.

Several Board members are also Board members of NZ Veterinary Association. Total amounts paid by Veterinary Council to that entity were \$6440 for the year.

7. Commitments and contingencies

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

Current	95,973	95,973
Non-current	248,965	344,938
Total	344,938	440,911

The Council entered into a lease for new premises in December 2017. The term of this lease is six years from the commencement date of 21 December 2017. The Council entered into a lease on a photocopier on 24 September 2017. The term of the lease is five years from the commencement date.

8. Audit

These financial statements have been audited.

9. Impact of COVID-19

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 (a novel Coronavirus) a pandemic. Two weeks later, on 26 March, New Zealand increased its COVID-19 alert level to Level 4 and a nationwide lockdown commenced.

As part of this lockdown all Council staff were required to work from home until level one, with staff returning to the office on 11 June 2020. COVID-19 complications caused the audit to be delayed, as additional time was required to prepare year end accounts. As a result, Veterinary Council did not submit its performance report to Charities Services prior to the deadline of 30 September 2020.

At the date of issuing the financial statements, the Council has been able to absorb the majority of the impact from the nationwide lockdown. While the full extent of the effect of COVID-19 is not yet able to be determined, it is not expected to have a significant impact on the entities operations or ability to continue in going forward.

10. Events subsequent to reporting date

There were no adjustable events between balance date and the completion of these financial statements.



CONTACT US:

VETERINARY COUNCIL OF NEW ZEALAND

Chair: LINDSAY BURTON | **CEO & Registrar:** IAIN MCLACHLAN

Postal Address: PO BOX 10 563 | WELLINGTON 6143

Council Office: LEVEL 10 | THE BAYLEYS BUILDING | 36 BRANDON STREET | WELLINGTON

p 04 473 9600 **e** vet@vetcouncil.org.nz **w** www.vetcouncil.org.nz