



**Social Workers  
Registration Board**  
Kāhui Whakamana Tauwhiro

# STATEMENT OF INTENT **2012–2015**

Presented to the House of Representatives Pursuant to  
Section 149 of the Crown Entities Act 2004



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# OPENING STATEMENT

This Statement of Intent has been prepared to meet the requirement of section 139(1) of the Crown Entities Act 2004.

It describes the three-year strategic direction set by the Social Workers Registration Board (the Board), as the Crown entity established to give effect to the Social Workers Registration Act 2003.

The purpose of the Statement of Intent is to promote the public accountability of the Board by:

- enabling the Crown to participate in the process of setting the Board's medium-term intentions and undertakings
- setting out for the House of Representatives those intentions and undertakings
- providing a base against which the Board's actual performance can be assessed.

The Statement of Intent is supported by a Memorandum of Understanding with the Minister for Social Development and Employment.



Toni Hocquard

Board Chair

20 May 2012



Paula Nes

Chair – Finance, Audit and Reporting Committee

# OVERVIEW FROM THE BOARD CHAIR

The Social Workers Registration Board was established through the passing of the Social Workers Registration Act in 2003 and the Board will soon have been in operation for ten years.

As noted in the Overview from the Board Chair in the 2011 Statement of Intent the Board has over the last year focussed on consulting with the social work profession, employers of social workers and the public on moving to Mandatory Registration.

The results of the consultation process indicate to the Board that there is overwhelming support for mandatory registration. The following provides a snapshot of the feedback received by the Board in relation to mandatory registration over the last year.

## Support from the Social Work Profession and Employers of Social Workers

95% of the responses from social workers and their employers to the question of moving to mandatory supported the need to implement mandatory registration as soon as possible. This included responses from the individual social workers, professional associations, major employers, unions and representative groups.

Over 3,500 social workers have been supported by their employers to register to date.

Child, Youth and Family and the majority of the District Health Boards, the two largest employers of social workers, have acknowledged the benefits of registration and are supportive of their social work staff registering. The NGO sector currently supports registration but many are waiting for mandatory registration to lower the costs.

Mandatory registration would result in an instant financial benefit to the profession and employers by the sheer economy of scale achieved by having all eligible social workers registered.

The Board has calculated that the cost of maintaining registration would decrease to around one half of the current cost and the following example best illustrates the benefit of mandatory registration to employers across the profession.

*A Manager of a social work agency has 30 staff that should be registered under a mandatory scheme. Currently, under the voluntary registration scheme, 15 of these are registered at an annual cost of \$5,520 incl. GST (15 x \$368).*

*If registration became mandatory and the cost was reduced to only a half of the current cost, all 30 social work staff could be registered for the same amount \$5,520 incl. GST (30 x \$184).*

*The cost of registering all 30 staff at a third of the current cost would be \$3,690 incl. GST (30 x \$123).*

**Support From The Public** – The Social Workers Registration Board engaged a social research company to survey<sup>1</sup> the public's awareness of regulation of the social work profession.

81% of the public surveyed thought that registration should be a requirement for Social Workers.

1 maximum margin of error of +/- 4.7 per cent (at the 95 per cent confidence level).

## Making Mandatory Registration Happen

The Board will focus over the 2012-2015 period on ensuring that the mandatory registration of social workers in New Zealand becomes a reality by ensuring that Government is provided with a convincing argument to include mandatory registration on the Government's legislative programme.

The Board will present a report on the statutory review of the Social Workers Registration Act 2003 to the Hon. Paula Bennett, Minister for Social Development, at the beginning of the 2012/2013 year. The Review report will advise the Minister that the system of voluntary registration that the Act currently provides for should be reconsidered and that mandatory registration is the preferred option to ensure that the purposes of the Act are met.

The Review of the Social Workers Registration Act will include the feedback provided to the Board throughout the consultation period along with valid reasons why a fully regulated social work workforce is needed.

## Supporting Government Initiatives in the Social Service Sector

Sadly too many children in New Zealand live in environments that compromise their ability to thrive, belong and achieve. The Board applauds and supports the Government's willingness to tackle this issue with the release of the Green Paper, and recognises that changes are required. The Green paper identified several key areas requiring attention. These included improving leadership for vulnerable children, reviewing policy related to children and the investigation of best practice and service delivery.

Social Work intersects at each and every point in the Green Paper, whether it is Shared Responsibility, Leadership, Child-centred policy or Child-centred practice.

The submissions forwarded by many in the social service sector in response to the Green Paper for Vulnerable Children clearly identify the need for effective interventions. Research shows that the most effective interventions are provided by competent practitioners.

Mandatory Registration for Social Workers will provide clarification within the social work workforce of who is qualified and competent to provide services at varying levels and reassurance to the public about the level of service they are receiving.

The Board is optimistic that 2012 will begin a period of positive change in the social service sector with work underway on the White Paper and from that, a 10 year Children's Action Plan expected to be released later in the year.

The Board is of the view that the registered social work profession will be at the forefront of those interventions and is appreciative of the fact that Minister Bennett has specifically asked the Hon. Chester Borrows, Associate Minister for Social Development, to assume responsibility for the Government's day-to-day relationship with the Board.

High on the agenda will be the Review of the Social Workers Registration Act and the Board looks forward to working with Minister Borrows as the initial contact point for the Government's response to the review report.



Toni Hocquard  
Board Chair

# MOVING FORWARD: THE NEXT THREE YEARS

## OUR ROLE

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For the purposes of the Public Finance Act 1989 the Board is a Crown entity established by the Social Workers Registration Act 2003 (the Act). The major purpose of the Act is:

To protect the safety of members of the public, by prescribing or providing for mechanisms to ensure that social workers are:

- competent to practise; and
- accountable for the way in which they practise.

Section 99 of the Act sets out the Board's functions and these can be grouped as follows in direct alignment with Board outputs:

### Managing the registration of social workers

- by receiving and considering applications for registration, taking recognised educational qualifications and competence of social workers into account
- by authorising the registration of social workers and maintaining a Public Register
- by considering applications for, and issuing practising certificates.

### Considering complaints against Registered Social Workers

- by maintaining a Complaints and Disciplinary Tribunal and providing administrative and related services for the Tribunal
- by promoting the establishment by organisations that employ social workers, of accessible and efficient procedures for making, considering and determining complaints relating to social workers they employ.

### Enhancing the professionalism of social workers

- by maintaining a code of conduct to apply to Registered Social Workers and that will apply generally in the social work profession
- by promoting and encouraging high standards of practice and professional conduct among Registered Social Workers and the employers of social workers.

### Promoting the benefits of registration

- by promoting the benefits of registration among people practising as social workers, to bodies and organisations that employ social workers, and to the New Zealand public
- by acknowledging the status of Registered Social Workers as qualified, competent and regulated professionals
- by reinforcing the place of Registered Social Workers as contributing members of multi-disciplinary teams working within many sectors.

## Setting the standards for social work education and training

- by ensuring that the delivery of social work qualifications in New Zealand adheres to the Social Workers Registration Board Programme Recognition Standards.
- by maintaining and reviewing the Programme Recognition Standards for recognised social work education providers
- by reinforcing high standards of education in order that social workers achieve minimum competencies prior to engaging in professional practice.

## OUR SERVICES

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The Board provides a range of interlinked services to the public who engage with social workers, the social work profession, providers of social work education and to the employers of social workers in Aotearoa New Zealand.

### Registration

The Board provides:

- the application forms and guidance notes for social workers wishing obtain competence assessment
- the application forms and guidance notes for social workers wishing to apply for registration
- web-based downloads of forms and online information requests relating to recognised social work qualifications, applications for competence and information on maintaining registration
- contact with registration staff via phone and email for general information on the requirements for competence assessments and registration
- follow up telephone calls, email and written correspondence advising of competence and registration progress as well as support to complete the registration process.

### Qualification Standards

The Board sets the standards for social work education and training in New Zealand by:

- consulting with providers and other bodies that set standards for social work education and training in New Zealand, to promote and set standards
- undertaking five yearly programme recognition panel visits to all Board recognised social work qualification providers
- providing on-going advice and guidance to social work qualification providers on maintaining a recognised qualification and any issues regarding changes to programme delivery
- providing updates on Board policies regarding the process for recognition/re-recognition of social work qualifications.



## Complaints System

The Complaints and Disciplinary Tribunal provides:

- the mechanism for anyone to make a complaint, either verbally or in writing, regarding the provision of social work services by Registered Social Workers
- Complaint Assessment Committees whose role is to investigate complaints against Registered Social Workers and provide recommendations to the Tribunal on whether
  - the Board should review the competence or fitness of the Registered Social Worker concerned to practise social work (or both); or
  - it should submit the complaint to conciliation; or
  - it should submit the complaint or conviction to the Tribunal for a hearing; or
- no further steps should be taken under the Act in relation to the complaint or conviction for hearings of complaints based on recommendations from the Complaints Assessment Committees.

## Professional Development

The Board provides:

- guidelines for Registered Social Workers around continuing professional development to support them to maintain registration
- web-based downloads, forms and online information relating to continuing professional development and the on-going maintenance of registration
- contact with registration staff via phone and email to provide general information on the requirements for continuing professional development and maintaining registration
- regular audit of Registered Social Workers continuing professional development
- follow up telephone calls, email and written correspondence advising of audit requirements as well as advice for completion of professional development logs and audit requirements.

## Information and Promotion

The Board provides information to the public, the profession and employers of social workers on:

- obtaining and maintaining registration
- Registered Social Workers and whether they hold current practising certificates and valid competence certificates
- the process for making complaints about the provision of social work services provided by Registered Social Workers.
- the rights of people receiving social work services
- the responsibilities of Registered Social Workers.

## WHO WE SUPPORT

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The Board provides services to a wide ranging audience both in New Zealand and overseas including:

- school students and school leavers seeking information on social work careers and social work qualification providers
- parents, families and whanau seeking information on social work services, service providers, complaint processes and general guidance
- social workers, both in New Zealand and social workers overseas looking to immigrate to New Zealand, seeking information on applying for competence certificates, applications for registration, maintaining registration, professional advice and general guidance
- employers of social workers seeking information on registering staff, ensuring potential or current employees are eligible for registration, the requirements for staff to maintain registration and the obligations of employers with registered social workers on staff
- overseas Regulatory Authorities seeking information on New Zealand social workers regarding qualifications and registration status.

## WHO WE WORK WITH

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The Board works in partnership with government agencies, non government organisations, tertiary education providers, organisations that provide social services and those who receive those social services. As a statutory regulation authority the Board operates in collaboration with a variety of other organisations and agencies in the education, employment and social development sectors. Social work is a varied and diverse profession employed across education, health, corrections, child protection and a variety of non government, community and iwi based organisations.

## CONTRIBUTING TO GOVERNMENT PRIORITIES

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The Board contributes to the Government's priorities, with regard to providing better public services, across a number of areas as social workers play an ever increasing part in the delivery of education, social services, welfare reform, law and order and health.

### Education:

The Board is responsible for setting the standards for social work education and training in New Zealand and as such supports the Government's education priorities of ensuring New Zealanders have the skills they need to participate in the global economy and building a high quality tertiary education system. The standards set by the Board ensure consistent delivery of social work education across tertiary providers and that graduates possess competencies expected of entry level social work practitioners both here in New Zealand and overseas.

### Social Services:

Taking a new approach to providing social services and ensuring social service agencies deal with the needs of the family as a whole, and in particular the needs of children is a Government priority fully supported by the Board. Social workers are the backbone of social service delivery in New Zealand. Social worker registration is primarily about ensuring that the public is provided with professional and competent social work services and that the providers of those services are continually developing their skills and are held accountable for the services they provide. This is particularly important given that social workers are often dealing with our most vulnerable citizens at crisis points in their lives.

## Welfare Reform:

The Government's priority with regard to welfare reform is to improve results by addressing long-term dependency and to focus on supporting sickness and invalid beneficiaries and beneficiaries with children back to work as well as ensuring young people have the skills and support needed to get work and keep it. Social workers are engaged across the welfare sector and work on a daily basis to reintegrate and support beneficiaries into the workforce. Likewise social workers are also committed to ensuring young people have the opportunities, skills and support to get work and keep it.

## Law and Order:

Social workers are involved at the frontline in providing for a safer New Zealand and addressing the drivers of crime. Social workers are active across New Zealand communities:

- providing maternity and early parenting support
- working with young people with behavioural problems
- implementing programmes to minimise alcohol-related harm
- providing support to those at most risk of offending
- supporting victims of offending.

Those providing these services are often given titles such as Whanau Support, Victim Support, Family Support, Probation Officer, Case Manager, etc., but are more often than not provided by professionally qualified social workers. In cases where the providers are not qualified social workers, the services provided utilise social work frameworks and adhere to social work codes of conduct and align with the social work profession. To ensure that the Government's priorities are met, the Board has a responsibility to ensure that those providing social work services meet the minimum criteria set by the Board and are held accountable for the services they deliver independent of the title under which they practice.

## Health and ACC:

Social workers represent the largest allied health profession working in the health sector and as such are involved in supporting the Government's priority of high-quality public health care delivery.

As members of multi-disciplinary teams working across the health sector and ACC, social workers play an increasingly important role in frontline services. If health targets are to be met the Board has a responsibility to ensure that those providing social work services in the Health and ACC sector also meet the minimum criteria set by the Board and are held accountable for the service they deliver.

## THE BOARD'S CONTRIBUTION TO GOVERNMENT OUTCOMES

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The Board will measure its contribution to the Government priorities listed above through:

- the number of social work graduates registering under the SWRB Graduate Competence Policy
- the number of Board recognised providers of social work qualifications
- the evaluation results of services delivered to tertiary providers
- an increase in the number of social workers applying for and maintaining registration
- a decrease in the number of Registered Social Workers not maintaining valid competence certificates and annual practising certificates
- the evaluation results of services delivered to the public, the profession and the employers of social workers.

## OUR STRATEGIC PRIORITIES

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The Board acknowledges that the current voluntary registration environment is the major challenge to ensuring that the public receives social work services from qualified and competent practitioners.

Submissions received on the Board's Mandatory Registration discussion document clearly supported a move to mandatory registration.

The Board's review of the Social Workers Registration Act 2003, to be presented to the Minister for Social Development in mid-2012 will provide a review, based on consultation with the public, the profession and employers of social workers, on

- the operation of the Social Workers Registration Act 2003,
- the Board's own operations
- and the extent to which the system of voluntary registration the Act provides for is protecting the public and enhancing the professionalism of social workers.

The Board will continue to pursue its stated objective that all social workers are registered through an effective registration system that protects the public and ensures high standards of social work practice.

The Board will continue to focus on the following priorities for 2012/13 – 2014/15:

### 1. Registration

Social workers are registered to meet minimum standard through an efficient and accessible registration system.

The Board provides access to a registration system for a large number of social workers that is continuing to grow each year. This priority contributes to delivering better public services across various sectors as well as providing value for money by ensuring the cost of registration does not increase as numbers increase. The Board has actively worked to reduce the costs of applying for and maintaining registration and continues to investigate new opportunities to reduce costs.

### 2. Education

Social work graduates enter the workforce with the expected entry level competencies as a result of completing Board recognised Social Work Qualifications delivered to national standards supported by educators.

Social work education in New Zealand is recognised internationally as professionally taught and consistently of a high calibre. By maintaining programme delivery standards across tertiary providers this priority contributes to ensuring that graduates have the skills they need to participate in the global economy as being prepared to deliver high-quality social services to New Zealanders, especially those most vulnerable.

### 3. Accountability

Social workers are held accountable to the Board's Code of Conduct and the public, the profession and the employers of social workers see evidence of an accessible, transparent and fair process.

The Board ensures that all social workers are aware of the Code of Conduct expected of Registered Social Workers and provides access to a Complaints and Disciplinary system for anyone with concerns about a social worker's practice. This priority contributes to delivering better public services across various sectors as well as Value for Money by ensuring the public have access to an independent and fair process at no cost.

## 4. Professional standards

Social workers are required to meet accepted practice standards and are expected to continually develop their professional knowledge and skills for them to be viewed as professionals by the public, employers and their peers across multi-disciplinary teams.

The Board ensures that only social workers who are deemed competent to practice social work and are competent to work with Maori, Pasifika and other different ethnic and cultural groups in New Zealand are registered. This priority contributes by ensuring social workers are adaptable to new approaches to providing social services including those identified under Whanau Ora.

## 5. Information and promotion

The public, the profession and employers of social workers are aware of the system of registration, how to access it and the benefits of ensuring that all Registered Social Workers are competent and held accountable for their practice.

This is a significant area of focus for the Board as it is necessary for all New Zealanders to be aware of social worker registration to ensure that the system provides for the purposes as set out in the Act. Protection of the public by providing for mechanisms to ensure that social workers are competent to practise and accountable for the way in which they practise contributes to better public services.

## REPORTING TO THE RESPONSIBLE MINISTER

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The Board has a Memorandum of Understanding with its Responsible Minister, setting out details on the way in which it will continue to consult and report to her on the government's purchase and ownership interests.

The Board is also required by the Crown Entities Act (s150) to provide the Minister with an Annual Report on its operations for each year. The Annual Report will provide certain financial information about the Board, Board members and employees. As well as this formal reporting obligation the Board is empowered by its Act [s99 (1) (l)] to advise, and make recommendations to, the Minister in respect of matters relating to the regulation of the social work profession.

The Social Workers Registration Act 2003 requires that the Board undertakes a five yearly review of the Act and this review occurred during 2011/2012. The review to be presented to the Minister in the latter half of 2012 will reflect feedback received from the public, the profession and employers of social workers on the issue of moving to mandatory registration as outlined in the Board discussion document released in early 2011.

## ORGANISATIONAL CAPABILITY/HEALTH

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The Board was appointed with the introduction of the Act in 2003 and began to build the operational policy requirements for registration in early 2004. By 1 October 2004 the Board had developed the key policy and registration documents required to support registration, set up a national office in Wellington, appointed staff and was ready to accept applications.

Since that time over 3500 social workers have been registered by the Board.

The Board is reliant on income generated by the application fees for registration and annual practising certificates in order to maintain a small but efficient office with 5 full time staff.

The Board has reviewed its business continuity plans, especially relating to responding to a major natural disaster, and is assured that the Board secretariat could continue the operation activities required of it. Core staff would be able to operate away from the office. Electronic and hard copies of necessary files are stored off-site and the secretariat would be able to re-establish computer files on secure external servers if necessary.

The Boards information and communication systems, along with associated policies will be reviewed and updated to ensure that they are compliant with the recently promulgated Directions and Priorities for Government ICT.

The Board is confident that the social work profession is ready to move to a mandatory registration environment and in anticipation of this move the Board will continue to work to increase the number of Registered Social Workers renewing their Annual Practising Certificates as well as increasing the number of social workers applying for registration.

A major concern is that currently the Board supports a regulatory framework for the whole social work profession but is financially supported by only those social workers who voluntarily register.

The cost of implementing and maintaining the registration process is therefore not carried by the whole profession and this could potentially have a negative effect on the continuing viability of the Board.

One example of this disparity is that the Board is required to promote and set standards for social work education and training in New Zealand. The Board operates a five yearly social work qualification recognition process on a cost recovery basis but is increasingly finding that resources are required to support social work education and training on a day to day basis.

The costs associated with this are covered by the application and annual practising certificate fees of registered social workers the majority of whom already hold a social work qualification. They are therefore in effect financially supporting the education and training of other social workers who may chose not to register.

With the responsibility for currently managing the registration of over 3500 Registered Social Workers the Board is confident in its ability to implement the regulatory function for the social work profession but does recognise that at some point there is a limit to how long the Board can continue to rely on a subset of the profession carrying the financial burden for the wider profession.

There is no expectation that the growth in applications for registration is expected to decrease and as such the Board is very aware of the need to maintain a regulatory framework to support the operations of the Board.

As part of the review of the Social Workers Registration Act, the Board has assessed its organisational capability with regard to its ability to sustain continued growth while registration remains voluntary or is in a transitional stage to mandatory registration and will report on this to the Minister.

The Board is fully aware that any move to implementing mandatory registration would require a structured regulatory framework for registration for between 6000 – 8000 social workers. This is double what is currently provided for although the capacity to manage an increase has been allowed for in the Board's planning.

The Board is confident that the operational processes are in place to manage any increase but is cautious that any transitional arrangements would need to be backed up with the resources required to support the move to mandatory registration.

## MEMBERS AND OPERATION OF THE BOARD

Under the Act the Board has up to 10 members who have a strong understanding of the social work environment and cultural contexts of New Zealand society.

The Board is committed to a clear governance/management division of responsibility and supports the efforts of the Chief Executive and Registrar to ensure that all people working for the Board (in a permanent or contracted capacity) share the same vision of the way the Board and its people are to operate.

The Board operates a forward planning environment and has implemented a Board committee structure to enable this, as well as operating a Risk Management Strategy.

The following standing committees of the Board are tasked, along with the Chief Executive, with the strategic direction of the Board:

- Finance, Audit and Risk Management Committee
- Policy Development and Review Committee.

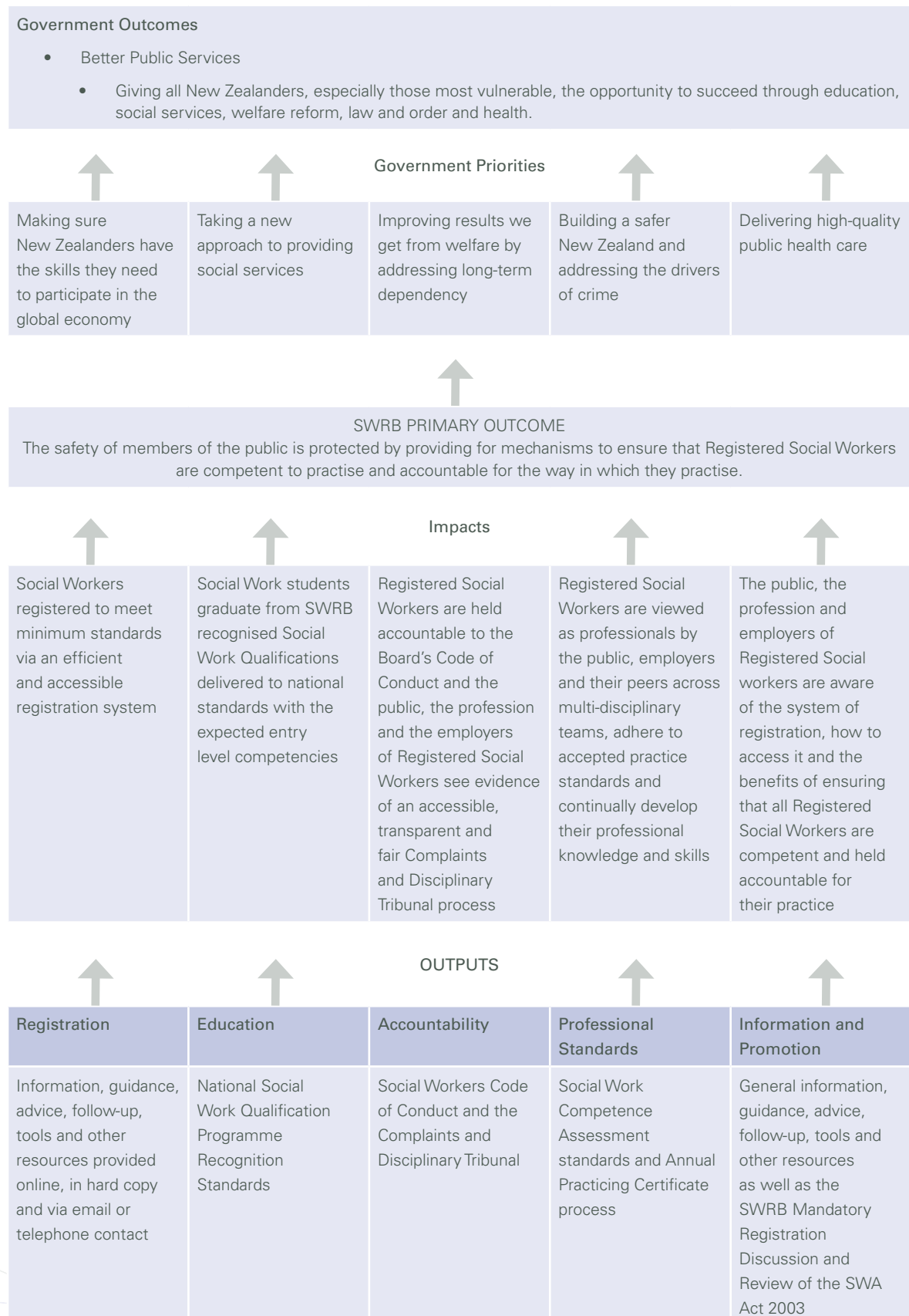
The Board employs 5 full time permanent staff, and, according to need, has engaged contract staff for such purposes as legal, accounting and information technology support.

Name		Date of original appointment	Expiry date of present term
Toni Hocquard – Board Chair	Registered	1 August 2008	28 February 2014
Paula Nes	Registered	7 May 2007	30 September 2012
Mary Miles*	Registered	1 September 2008	31 August 2011
Moana Eruera	Registered	1 October 2010	30 September 2013
Jim Heays	Non-Registered	1 October 2010	30 September 2013
William Pua	Non-Registered	1 September 2011	31 August 2014
Sara Georgeson	Non-Registered	1 September 2011	31 August 2014
Toni Millar	Non-Registered	1 September 2011	31 August 2014
Vacant	Registered		
Vacant	Registered		

\* Continuing on in office as per run on provisions as set out in the Crown Entities Act 2004

## OPERATING FRAMEWORK

This framework outlines the services the SWRB intends to deliver, the expected results and how the work of the SWRB will contribute to government goals.





The Social Workers Registration Board primary outcome is to ensure the safety of the public when they receive social work services. Registration is however voluntary under the Social Workers Registration Act 2003 and therefore the Board only has oversight over individual social workers who choose to register. When registration is made mandatory all Social Workers will be held accountable to the Board for their practice.

By utilising the mechanisms available to the Board under the Social Workers Registration Act 2003 the Board is able to ensure that Registered Social Workers are competent to practise and accountable for the way in which they practise. The following tables provide trend information of the Board's impacts as a result of its regulatory activities:

Impact 1: Social Workers registered to meet minimum standards via an efficient and accessible registration system						
Social Workers will value registration and the SWRB will implement an efficient system to ensure that applicants meet the minimum standards to practice as Registered Social Workers						
Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual to date)	2012/13 (estimate)	2013/14 (forecast)	2014/15 (forecast)
Number of Social Workers applying for Registration	397	547	440	500	500	500
Number of Social Workers having Registration approved	303	445	506	500	500	500

Impact 2: Social Work students graduate from SWRB recognised Social Work Qualifications delivered to national standards with the expected entry level competencies						
Potential Social Workers will see the value of a recognised Social work qualification and providers will adhere to the national standards						
Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual to date)	2012/13 (estimate)	2013/14 (forecast)	2014/15 (forecast)
Number of Recognised Social Work Qualification Providers meeting the programme recognition standards	15	15	16	17	17	17
Number of Social Work students graduating from Recognised Social Work Qualification Providers	489	465	601	650	700	750

**Impact 3: Registered Social Workers are held accountable to the Board's Code of Conduct and the public, the profession and the employers of Registered Social Workers see evidence of an accessible, transparent and fair Complaints and Disciplinary Tribunal process.**

The public and the profession will hold Registered Social Workers to account for their practice and the SWRB will act on complaints

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual to date)	2012/13 (estimate)	2013/14 (forecast)	2014/15 (forecast)
Number of Complaints received	14	22	26	30	35	40
Number of Complaints received that are Referred to Health and Disability Commission	1	0	0	1	2	3
Number of Complaints received that are Currently Under Investigation	8	17	16	20	25	30
Number of Complaints received that are Referred to Board for a Competence Review or Supervision	1	0	0	3	4	5
Number of Complaints received that are Referred to a Tribunal Hearing	0	0	0	1	2	3
Number of Complaints received that are Resolved or Decision to take No Further Action	4	5	10	12	15	18

**Impact 4: Registered Social Workers are viewed as professionals by the public, employers and their peers across multi-disciplinary teams, adhere to accepted practice standards and continually develop their professional knowledge and skills**

Registered Social Workers and their Employers will recognise the value of maintaining professional registration

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual to date)	2012/13 (estimate)	2013/14 (forecast)	2014/15 (forecast)
Number of Registered Social Workers eligible for the renewal of an Annual Practising Certificate	2485	2942	3425	3925	4425	4925
Number of Registered Social Workers applying for the renewal of an Annual Practising Certificate	2078 (84% of total)	2475 (84% of total)	2854 (83% of total)	3336 (85% of total)	3761 (85% of total)	4186 (85% of total)
Number of Registered Social Workers indicating that they are no longer practising	255 (10% of total)	392 (13% of total)	403 (12% of total)	393 (10% of total)	443 (10% of total)	493 (10% of total)
Number of Registered Social Workers not applying for the renewal of an Annual Practising Certificate	152 (6% of total)	75 (3% of total)	168 (5% of total)	196 (5% of total)	221 (5% of total)	246 (5% of total)

**Impact 5: The public, the profession and employers of Registered Social workers are aware of the system of registration, how to access it and the benefits of ensuring that all Registered Social Workers are competent and held accountable for their practice**

Registered Social Workers and their Employers will recognise the value of applying for professional registration and the public will be assured of increased competent, accountable social work practice when they engage with social workers across the profession

Indicator	2009/10 (actual)	2010/11 (actual)	2011/12 (actual to date)	2012/13 (estimate)	2013/14 (forecast)	2014/15 (forecast)
The number of Registered Social Workers employed by Government Departments	964 (40%)	1024 (35%)	1080 (32%)	1158 (30%)	1305 (30%)	1453 (30%)
The number of Registered Social Workers employed by District Health Boards	552 (23%)	710 (24%)	894 (26%)	1099 (28%)	1239 (28%)	1379 (28%)
The number of Registered Social Workers employed by the NGO sector	492 (21%)	566 (19%)	695 (20%)	883 (23%)	996 (23%)	1108 (23%)
The number of Registered Social Workers self-employed or with multiple employers	76 (3%)	142 (5%)	211 (6%)	236 (6%)	266 (6%)	296 (6%)
The number of Registered Social Workers employed by Recognised Social Work Education Providers	48 (2%)	108 (4%)	142 (4%)	157 (4%)	177 (4%)	197 (4%)
The number of Registered Social Workers not currently practising	255 (11% of total)	392 (13% of total)	403 (12% of total)	393 (10% of total)	443 (10% of total)	493 (10% of total)

# PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE AND FORECAST FINANCIAL INFORMATION

## STATEMENT OF RESPONSIBILITY

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The Social Workers Registration Board is a Crown agent under the Crown Entities Act 2004 with its role established under the Social Workers Registration Act 2003 to:

- (a) protect the safety of members of the public, by prescribing or providing for mechanisms to ensure that social workers are —
  - (i) competent to practise; and
  - (ii) accountable for the way in which they practise; and
- (b) for the purposes of paragraph (a), to create a framework for the registration of social workers in New Zealand, and —
  - (i) establish a Board to register social workers, and provide for its powers; and
  - (ii) establish a tribunal to consider complaints about Registered Social Workers; and
- (c) to provide for the Board to promote the benefits of registration of social workers —
  - (i) to departments of State, other instruments of the Crown, other bodies and organisations that employ social workers, and the public; and
  - (ii) among people practising social work; and
- (d) to enhance the professionalism of social workers.

The Social Workers Registration Board is responsible for the preparation of the Statement of Intent and prospective financial statements, including the assumptions on which the financial statements are based. The prospective financial statements have been prepared in accordance with NZ IFRS.

The Social Workers Registration Board does not intend to update and republish the prospective financial statements. This departure from FRS-42 is necessary to allow the impacts of the transition to NZ IFRS to be identified and quantified.

The prospective financial statements have been developed for the purpose of presenting the Social Workers Registration Board's intentions in Parliament, and should not be relied upon by any other party for any alternative purpose without the express written permission of the Social Workers Registration Board.

Actual results are likely to be different from the prospective financial statements and the variation may be material.

We have authorised the issue of the financial statements on this day, 20 May 2012.



Toni Hocquard  
Board Chair  
20 May 2012



Paula Nes  
Chair – Finance, Audit and Reporting Committee

## PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE

The performance standards related to the Board's outputs for 2011/2012 are set out below.

Expenditure on outputs for 2011/2012 will be funded by payments received by the Board from social workers who apply for registration and from Registered Social Workers.

The programmes for 2013/2014 and 2014/2015 are dependent on performance achievements in 2012/2013 and the Board will review out-year figures as more information becomes available.

	Income	Expenditure
Application and Registration Fees	1,048,494	
Programme Recognition and other income	53,000	
Interest	25,000	
Total	\$ 1,126,494	\$ 1,124,640

NB All figures are GST exclusive.

This will be allocated to outputs as summarised here:

Output 1: REGISTRATION Managing the registration of social workers	Income	Expenditure
Application and Registration Fees	228,544	
Programme Recognition and other income	600	
Interest	2,500	
Total	\$ 231,644	\$ 214,128

The majority of social workers are registered by the Social Workers Registration Board. Competence and educational standards of social workers are improved and only those people who are assessed as fit to practise social work are registered.

Output 2: EDUCATION Setting Standards for Social Work Education and Training	Income	Expenditure
Application and Registration Fees	–	
Programme Recognition and other income	50,600	
Interest	1,250	
Total	\$ 51,850	\$ 247,028

The standards for social work education and training in New Zealand are maintained and the Board ensures that the delivery of social work qualifications in New Zealand adhere to the Social Workers Registration Board Programme Recognition Standards.

Output 3: ACCOUNTABILITY Considering complaints against Registered Social Workers	Income	Expenditure
Application and Registration Fees	–	
Programme Recognition and other income	600	
Interest	–	
Total	\$ 600	\$ 218,028

The general public and key stakeholders are aware of the Social Worker Registration Board's complaints processes and complaints made against Registered Social Workers are dealt with without undue delay. If needed, social workers are disciplined appropriately and transparently.

Output 4: PROFESSIONAL STANDARDS Enhancing the professionalism of social workers	Income	Expenditure
Application and Registration Fees	–	
Programme Recognition and other income	600	
Interest	–	
Total	\$ 600	\$ 208,428

The reputation of the social work profession is enhanced and recognised by the public and key stakeholders. Professional standards improve and with higher standards come higher quality social work with improved outcomes for New Zealanders.

Output 5: INFORMATION AND PROMOTION Promoting the benefits of registration	Income	Expenditure
Application and Registration Fees	819,950	
Programme Recognition and other income	600	
Interest	21,250	
Total	\$ 841,800	\$ 237,028

All key stakeholders, including social workers, are aware of the benefits of registration. The number of Registered Social Workers continues to grow and employers are increasingly employing Registered Social Workers.

Details of the performance standards and measures for these five outputs, including assumptions affecting them, are set out as follows.

## Output 1: REGISTRATION

### Managing the registration of social workers

Description: This output involves the operation of a Register of Social Workers, and the issuing of Competence and Registration Certificates, as provided for in the Social Workers Registration Act 2003.

As part of this process the Board will process applications for competence and registration. Applications for competence and registration are to be checked to ensure they comply with the criteria in the Act and with the policies of the Board.

Results/Measures	Target 2011/12	Actual 2011/12	Target 2012/13	Target 2013/14	How it will be measured
<b>Output</b>					
Non-binding overseas qualification assessments completed	Within 20 working days	100% to date	Within 20 working days	Within 20 working days	Independent annual evaluation
Competence assessments completed	Within 20 working days	100% to date	Within 20 working days	Within 20 working days	SWRB Database Competence Assessment Summary Reports
New applications for registration completed and presented to the Board for approval	Within 60 working days	100% to date	Within 60 working days	Within 60 working days	SWRB Database Application Assessment Summary Reports
<b>Quantity</b>					
Non-binding overseas qualification assessments completed	50	71 to date	50	50	Independent annual evaluation
Social workers undertaking competence assessments	150	360 to date	400	400	SWRB Financial Summary Reports
Social workers applying for registration	400	440 to date	500	500	SWRB Financial Summary Reports
<b>Quality</b>					
% of applicants for Non-binding overseas qualification assessments reporting satisfaction with process	–	–	80%	90%	Independent annual evaluation will be undertaken via a survey of applicants
% of applicants for competence assessment reporting satisfaction with process	–	–	80%	90%	Independent annual evaluation will be undertaken via a survey of applicants
% of applicants for registration reporting satisfaction with process	–	–	80%	90%	Independent annual evaluation will be undertaken via a survey of applicants
% of Employers of applicants for registration reporting satisfaction with process	–	–	80%	90%	Independent annual evaluation will be undertaken via a survey of the Employers of registration applicants

## Output 2: EDUCATION

### Setting Standards for Social Work Education and Training

Description: This output involves the Board setting the standards for social work education and training in New Zealand and ensuring that the delivery of social work qualifications in New Zealand adheres to the Social Workers Registration Board Programme Recognition Standards. The Board will maintain and review the Programme Recognition Standards for recognised social work education providers and reinforce high standards of education in order that social workers achieve minimum competencies prior to engaging in professional practice.

Results/Measures	Target 2011/12	Actual 2011/12	Target 2012/13	Target 2013/14	How it will be measured
<b>Output</b>					
Programme recognition visits undertaken for programmes due for recognition or re-recognition	100%	120%	100%	100%	Review of the SWRB Secretariat calendar of events and schedule of current recognised New Zealand social work qualifications
A review of the Programme Recognition Standards will be undertaken and the outcomes reported to the Board in order for the standards to be revised	Review process to begin in 2011/12	100%	Review process to be completed in November 2012	–	An evaluation of the review document presented to the Social Workers Registration Board
<b>Quantity</b>					
The number of Programme recognition visits undertaken for programmes due for recognition or re-recognition	5	6 *	3 **	4 ***	Review of the SWRB Secretariat calendar of events
A review of the Programme Recognition Standards will be undertaken and the outcomes reported to the Board and the standards to be revised	–	1	–	–	An evaluation of the review document presented to the Social Workers Registration Board
<b>Quality</b>					
% of social work qualification providers responding positively to the role of the Board and the quality of the programme recognition standards and process	80%	TBA	85%	90%	Independent annual evaluation will be undertaken via a survey of recognised social work education providers
% of participants responding positively to the review of the Programme Recognition Standards and the revised standards	80%	TBA	85%	90%	Independent annual evaluation will be undertaken via a survey of the participants involved in the review process

\* Included the unexpected application for the recognition of the Open Polytechnic of New Zealand social work qualification.

\*\* Three currently recognised social work qualifications are due for re-recognition – this does not include any new programmes requesting recognition.

\*\*\* Four currently recognised social work qualifications are due for re-recognition – this does not include any new programmes requesting recognition.



## Output 3: ACCOUNTABILITY

### Considering complaints against Registered Social Workers

Description: This output involves the Board providing administrative support to an independent Social Workers Complaints and Disciplinary Tribunal which can appoint Complaint Assessment Committees (CACs) to assess complaints against Registered Social Workers.

There will be an ongoing cost of training members of the Social Workers Complaints and Disciplinary Tribunal as well as establishing and providing training for CACs. The Board secretariat will also provide ongoing administrative support to both the Complaints and Disciplinary Tribunal and CACs. The number of complaints and the complexity of complaints expected remain unknown but there is likely to be an increase in complaints over the next few years as public awareness increases.

A disciplinary reserve has been established to meet the costs of complaints.

Results/Measures	Target 2011/12	Actual 2011/12	Target 2012/13	Target 2013/14	How it will be measured
<b>Output</b>					
Complaints received are responded to	Within 20 working days	100%	Within 20 working days	Within 20 working days	SWRB Database Complaint Summary Reports
Complaints received are referred to Complaints and Disciplinary Tribunal	Within 20 working days	100%	Within 20 working days	Within 20 working days	SWRB Database Complaint Summary Reports
Registered Social Workers who are the subject of accepted complaints are advised	Within 20 working days	100% to date	Within 20 working days	Within 20 working days	SWRB Database Complaint Summary Reports
<b>Quantity *</b>					
% Complaints received are responded to	100%	100%	100%	100%	SWRB Database Complaint Summary Reports
% Complaints received are referred to Complaints and Disciplinary Tribunal	100%	100%	100%	100%	SWRB Database Complaint Summary Reports
% of Registered Social Workers who are the subject of an accepted complaint are advised	100%	100%	100%	100%	SWRB Database Complaint Summary Reports
<b>Quality</b>					
% of positive feedback from the Chair of the Complaints and Disciplinary Tribunal regarding information and support provided by the Board Secretariat	100%	100%	100%	100%	Independent annual evaluation will be undertaken via a survey of Chair of the Complaints and Disciplinary Tribunal
% of positive feedback from the Complaint Assessment Committees regarding information and support provided by the Board Secretariat	100%	100%	100%	100%	Independent annual evaluation will be undertaken via a survey of Complaint Assessment Committee members

\* Complaint Numbers are demand driven measures and are included only to provide useful context as the SWRB has no control over the number of complaints received.

## Output 4: PROFESSIONAL STANDARDS

### Enhancing the professionalism of social workers

Description: The Board will maintain and review the code of conduct for social workers and reinforce high standards of practice in order that Registered Social Workers are accountable for their on-going professional development. The Board will continue to promote the code of conduct to social workers and their employers as well as the on-going issuing of practising certificates for all Registered Social Workers.

Results/Measures	Target 2011/12	Actual 2011/12	Target 2012/13	Target 2013/14	How it will be measured
<b>Output</b>					
Competence assessment re-certifications due for renewal completed	New Target	–	85%	90%	SWRB Database Registered Social Worker Summary Reports
Annual Practising Certificate due for renewal received and issued	80%	95%	90%	95%	SWRB Database Registered Social Worker Summary Reports
Continuing Professional Development Audits due are received and assessed	80%	81% to date	85%	90%	Independent annual evaluation
<b>Quantity</b>					
Competence assessments re-certifications issued for existing Registered Social Workers	New Target	464 to date (338 via ANZASW and 126 via SWRB)	355 due to be completed	403 due to be completed	SWRB Database Registered Social Worker Summary Reports
Annual Practising Certificates issued to new applicants for registration	400	451 (includes 147 applications received prior to 1/7/11)	500	550	SWRB Database Registered Social Worker Summary Reports
Annual Practising Certificates renewed for existing Registered Social Workers	2541	2415	3000	3500	SWRB Database Registered Social Worker Summary Reports
Continuing Professional Development Audits received and assessed	26	17 received 9 due by 30/6/2012	5% random audit of Competence Re-certifications undertaken quarterly	5% random audit of Competence Re-certifications undertaken quarterly	Independent annual evaluation
<b>Quality</b>					
Competence assessment re-certification applications are processed in accordance with Sections 38 – 46 of the Social Workers Registration Act 2003	100%	100%	100%	100%	SWRB Database Competence Assessment Summary Reports
Annual Practising Certificate applications processed in accordance with Sections 25 – 37 of the Social Workers Registration Act 2003	100%	100%	100%	100%	SWRB Database Registered Social Worker Summary Reports
Continuing Professional Development Audits are processed in accordance with Board policy	80%	81% to date	85%	90%	Independent annual evaluation of Continuing Professional Development Audit Logs

\* 9 requested Continuing Professional Development logs due by 30/06/2012

## Output 5: INFORMATION AND PROMOTION

### Promoting the benefits of registration

Description: This output recognises that the registration of social workers is voluntary. The Board, therefore, will promote registration and its benefits to social workers and their employers. The Board intends to continue meeting with social workers, their employers and other stakeholders at least once in a year and will also be issuing regular newsletters and updates to the sector.

Results/Measures	Target 2011/12	Actual 2011/12	Target 2012/13	Target 2013/14	How it will be measured
<b>Output</b>					
Promotional material developed and updated for Social Workers on the benefits of registration	Updated promotional material available	100%	Updated promotional material available	Updated promotional material available	Independent annual evaluation of promotional material available for social workers
Promotional material developed and updated for Employers of Social Workers on the benefits of employing Registered Social Workers	Updated promotional material available	100%	Updated promotional material available	Updated promotional material available	Independent annual evaluation of promotional material available for Employers of social workers
Promotional material developed for the public on registration system for social workers	New Target	–	Public advertising campaign developed	Public advertising campaign maintained and updated	Independent annual evaluation of public advertising material
<b>Quantity</b>					
Information packs on registration provided to all social workers who request them	100%	100%	100%	100%	Independent annual evaluation of registration information requests and number of application packs printed and despatched
Meetings held with social workers and employers of social workers to provide information on the benefits of registration	10	19	15	20	Review of the SWRB Secretariat calendar of events
Information provided to the public registration via public advertising campaign	New Target	–	2 public advertising campaigns	2 public advertising campaigns	Review of the SWRB Secretariat advertising campaigns
<b>Quality</b>					
% of applicants for registration reporting satisfaction with the information supplied	New Target	–	80%	90%	Independent annual evaluation will be undertaken via a survey of applicants for registration
% of Employers of applicants for registration reporting satisfaction with the information supplied	New Target	–	80%	90%	Independent annual evaluation will be undertaken via a survey of the Employers of registration applicants
% of the public surveyed reporting satisfaction with the information supplied	New Target	–	80%	90%	Independent annual evaluation will be undertaken via an assessment of the information supplied

## FORECAST FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

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### STATEMENT OF DISCLAIMER OF LIABILITY

The attached statements have been compiled from information and instructions furnished to me by my client. A compilation is limited primarily to the collection, classification and summarisation of financial information supplied, and does not involve the verification of that that information. I have neither audited these statements nor reviewed them in terms of the Institute of Chartered Accountants' Statement of Review Engagement Standards, and therefore do not accept any responsibility for the accuracy of the materials from which the financial statements have been prepared.

Further, the statements have been prepared at the request of and for the purposes of my client only. My responsibility in connection with the statements is to my client alone, and I do not accept any responsibility on any grounds whatever, including liability in negligence, to any other person.

SPENCER J F SMITH, CA

8 May 2012

## FORECAST STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

Actual 2011 \$		Budget 2013 \$	Forecast 2012 \$
	<b>INCOME</b>		
921,983	Application & registration fees	1,048,494	1,029,572
78	Discipline levy	–	–
41,767	Programme recognition & other income	53,000	30,500
32,391	Interest	25,000	33,575
996,219	<b>Total Income</b>	<b>1,126,494</b>	<b>1,093,647</b>
	<b>EXPENDITURE</b>		
20,730	Audit fees	20,000	20,000
34,947	Board & Tribunal costs	91,000	89,393
21,056	Course recognition	50,000	21,477
64,404	Depreciation & amortisation	102,000	82,198
–	Net loss on disposal of property, plant & equipment	–	731
473,464	Personnel costs	512,200	453,184
93,006	Promotion & publications	40,000	46,369
–	SWRB Act review	17,000	26,433
94,109	Operating lease costs	94,140	94,117
182,576	Other	198,300	225,425
984,292	<b>Total Expenditure</b>	<b>1,124,640</b>	<b>1,059,327</b>
<b>\$ 11,927</b>	<b>Surplus/(Deficit)</b>	<b>\$ 1,854</b>	<b>\$ 34,320</b>

The accompanying notes and accounting policies form part of these financial statements.

## FORECAST STATEMENT OF MOVEMENTS IN EQUITY

### FOR THE YEAR ENDED 30 JUNE 2013

Actual 2011 \$		Budget 2013 \$	Forecast 2012 \$
504,507	Total Crown Equity at the start of the year	550,754	516,434
11,927	Operating surplus/(Deficit) for the period	1,854	34,320
11,927	<b>Total recognised revenue and expenses for the period</b>	1,854	34,320
<b>\$ 516,434</b>	<b>Total Crown Equity at the end of the year</b>	<b>\$ 552,608</b>	<b>\$ 550,754</b>

The accompanying notes and accounting policies form part of these financial statements.

## FORECAST STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2013

Actual 2011 \$		Budget 2013 \$	Forecast 2012 \$
	<b>CURRENT ASSETS</b>		
827,239	Cash & cash equivalents	90,147	90,200
14,157	Accounts receivable	16,900	4,400
350,000	Investments	1,050,000	1,100,000
28,678	Prepayments	4,000	4,000
1,220,074		1,161,047	1,198,600
	<b>NON CURRENT ASSETS</b>		
86,334	Property, Plant & Equipment	72,413	80,914
113,405	Intangible assets	172,470	141,970
199,739		244,883	222,884
1,419,813	<b>TOTAL ASSETS</b>	1,405,930	1,421,484
	Less:		
	<b>CURRENT LIABILITIES</b>		
192,837	Accounts Payable & accruals	151,322	168,730
25,421	Employee entitlements	17,000	17,000
685,121	Income received in advance	685,000	685,000
903,379	<b>TOTAL LIABILITIES</b>	853,322	870,730
<b>\$ 516,434</b>	<b>NET ASSETS EMPLOYED</b>	<b>\$ 552,608</b>	<b>\$ 550,754</b>
	<b>CROWN EQUITY</b>		
504,507	Accumulated surplus	550,754	516,434
11,927	Current Year Surplus/(Deficit)	1,854	34,320
<b>\$ 516,434</b>	<b>TOTAL CROWN EQUITY</b>	<b>\$ 552,608</b>	<b>\$ 550,754</b>

The accompanying notes and accounting policies form part of these financial statements.

## FORECAST STATEMENT OF CASH FLOWS

### FOR THE YEAR ENDED 30 JUNE 2013

Actual 2011 \$		Budget 2013 \$	Forecast 2012 \$
	<b>Net Cash Flows from Operating Activities</b>		
1,446,382	Registration fees, levies & APC fees	1,048,494	1,029,451
39,011	Other revenue	53,000	30,500
39,989	Interest received	10,749	34,807
(356,306)	Payments to Suppliers	(526,096)	(514,118)
(480,307)	Payments to Employees	(512,200)	(461,605)
<b>688,769</b>	<b>Net Cash flows from Operating Activities</b>	<b>73,947</b>	<b>119,035</b>
	<b>Net Cash Flows from Investing Activities</b>		
–	Sale of property, plant & equipment	–	–
(76,997)	Net movement in bank term deposits held	50,000	(750,000)
(27,300)	Purchase of property, plant & equipment	(34,000)	(33,258)
(62,573)	Purchase of intangible assets	(90,000)	(72,816)
<b>(166,870)</b>	<b>Net Cash flows from Investing Activities</b>	<b>(74,000)</b>	<b>(856,074)</b>
<b>521,899</b>	<b>Net Increase/(Decrease) in Cash or cash equivalents</b>	<b>(53)</b>	<b>(737,039)</b>
305,340	Cash or cash equivalents at beginning of the year	90,200	827,239
<b>\$ 827,239</b>	<b>Cash or cash equivalents at end of the year</b>	<b>\$ 90,147</b>	<b>\$ 90,200</b>

The accompanying notes and accounting policies form part of these financial statements.



## STATEMENT OF ACCOUNTING POLICIES

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### For the year ending 30 June 2013

#### Reporting Entity

The Social Workers Registration Board ("the Board") is a Crown entity as defined by the Crown Entities Act is domiciled in

New Zealand. As such, the Board's ultimate parent is the New Zealand Crown.

The Board's primary objective is to provide public services to the NZ public, as opposed to that of making a financial return.

Accordingly, the Board has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS").

The budget financial statements for the Board are for the year ending 30 June 2013

#### Basis of preparation

##### Statement of Compliance

The financial statements of the Board have been prepared in accordance with the requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

The Board has applied the Framework for Differential Reporting for entities adopting the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and its interpretations as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

The Board qualifies for differential reporting exemptions as it has no public accountability and does not qualify as large under the criteria set out in the Framework for Differential Reporting.

Differential reporting exemptions as available under the Framework for Differential Reporting have been applied in relation to :

NZ IAS 1 Disclosure of critical accounting estimates and assumptions

NZ IAS 24 Related Party Disclosures

NZ IFRS 7 Financial Instruments: Disclosure

##### Measurement base

The financial statements have been prepared on a historical cost basis.

##### Functional and presentation currency

The financial statements are presented in New Zealand dollars. The functional currency of the Board is New Zealand dollars.

## Significant Accounting Policies

### Revenue

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

### Revenue from the Crown

The Board receives no funding through revenue received from the Crown.

### Interest

Interest income is recognised using the effective interest method.

### Fees

Revenue from Annual practicing certificate fees and discipline levies are recognised in the year to which the practicing certificate or levy relates. Other fee revenue is recognised on receipt.

### Leases

#### Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to the Board are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the statement of financial performance.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held with New Zealand registered banks with original maturities of three months or less.

### Accounts receivable

Accounts receivable are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

### Investments

At each balance sheet date the Board assesses whether there is any objective evidence that an investment is impaired.

### Bank deposits

Investments in bank deposits are initially measured at fair value. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method.

### Property, plant and equipment

Property, plant and equipment asset classes consist of leasehold improvements, furniture and office equipment which are shown at cost less any accumulated depreciation and impairment losses.

#### Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably.

#### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance.

### Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Board and the cost of the item can be measured reliably

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of financial performance as they are incurred.

### Depreciation

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Depreciation of furniture & office equipment is provided on a diminishing value basis at rates provided under the Income Tax Act 2007.

The depreciation rates of major classes of assets have been estimated as follows:

- Leasehold improvements (16.7%)
- Furniture and office equipment (18% – 60%)
- Computer equipment (48%)

### Intangible assets

#### Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use by the Board, are recognised as an intangible asset. Direct costs include the software development.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of the Board's website is recognised as an expense when incurred.

#### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in statement of financial performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Developed computer software	5 years	20%
Developed website	3 years	33%

### Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the Board would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount and recognised in the statement of financial performance.

### **Creditors and other payables**

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

### **Employee entitlements**

#### **Short-term employee entitlements**

Employee entitlements that the Board expects to be settled within 12 months of balance date are measured at undiscounted nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date and annual leave earned but not yet taken at balance date.

The Board recognises a liability and an expense for bonuses where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

### **Good and Service Tax (GST)**

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

### **Income Tax**

The Board is a public authority and consequently is exempt from the payment of income tax. Accordingly, no charge for income tax has been provided for.

### **Cost allocation**

The Board has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner, with a specific output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity information. Secretariat costs including personnel, occupancy and other indirect costs are charged on the basis of estimated time involvement of personnel on each output class.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.









**Social Workers  
Registration Board**  
**Kāhui Whakamana Tauwhiro**

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