



Social Workers  
Registration Board

Kāhui Whakamana Tauwhiro

# ANNUAL REPORT 2015–2016

Presented to the House of Representatives pursuant  
to section 150 of the Crown Entities Act 2004

New Zealand Government



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# PART 1: INTRODUCTION TO THE SOCIAL WORKERS REGISTRATION BOARD

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## THE SOCIAL WORKERS REGISTRATION BOARD

The Social Workers Registration Act 2003 (the Act) provides the framework for the registration of social workers.

A major purpose of the Social Workers Registration Act 2003 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.

The Social Workers Registration Board (SWRB) was established under this Act in November 2003. The SWRB, a Crown agent under the Crown Entities Act 2004, has the responsibility to organise the registration process, consider and take disciplinary actions relating to Registered Social Workers, encourage registration, and act to enhance the professionalism of social workers.

The Social Workers Registration Board is charged with protecting the public's safety by administering the registration framework to ensure that social workers are competent to practise and held accountable for their practice.

The Registration Framework of the SWRB covers five distinct areas:

- the registration of social workers;
- setting the standards for social work education;
- consideration of complaints about Registered Social Workers;
- promotion of the benefits of registration of social workers; and
- enhancing the professionalism of social workers.

### 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 registration, 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 ongoing 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 ongoing 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 portfolios
- 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.

The detailed description of the SWRB's functions is set out in Section 99 of the Act. In summary, they are:

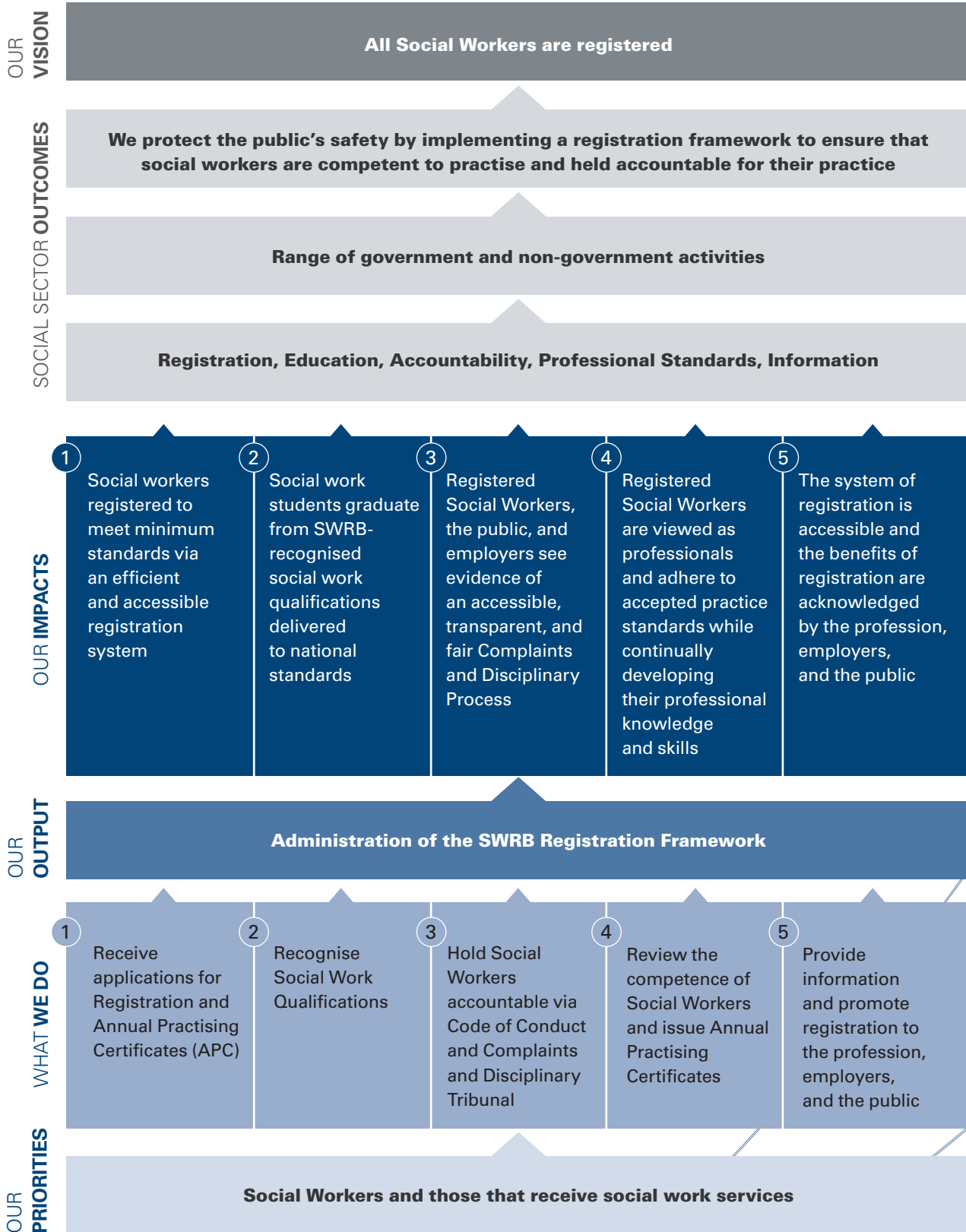
- to receive and consider applications for registration and practising certificates, authorise the registration of social workers, and maintain the Register;
- if the SWRB thinks fit, to adopt conditions subject to which all practising certificates, or the practising certificates of all Registered Social Workers of a particular description, must be issued;
- to promote and encourage high standards of practice and professional conduct among Registered Social Workers and the employers of social workers;
- to establish and maintain a Code of Conduct for Registered Social Workers, review the competence of social workers and to consider the cases of Registered Social Workers who may be unable to perform adequately the functions required to practise social work satisfactorily;
- in consultation with providers of social work education and training in New Zealand and bodies that set standards for social work education and training in New Zealand, to promote and set standards for such education and training, and recognise New Zealand educational qualifications for the purposes of the Act;
- to promote the benefits of registration and the establishment of accessible and efficient procedures for making, considering, and determining complaints relating to social workers
- to advise and make recommendations to the responsible Minister in respect of matters relating to the regulation of the social work profession;
- subject to the Act, to disclose to the employers or prospective employers of social workers information it has obtained under this Act relating to people who are or have been applicants for registration or Registered Social Workers; and
- any other functions conferred or imposed on it by or under the Act or any other enactment.

## **Goals, outcomes, and objectives**

The government is the major purchaser of social work services and has a significant interest in social worker quality and professionalism. In recognition of its status as a Crown agent and its national role, the SWRB has a stake in supporting the government's social objectives to help New Zealanders to help themselves to be safe, strong and independent.

The SWRB has adopted the following outcomes framework to guide its work.

# OUTCOMES FRAMEWORK



## MEASURING SUCCESS IN A VOLUNTARY REGISTRATION ENVIRONMENT

The Board's 2014–2015 Annual Report stated that in the absence of mandatory registration for social workers in New Zealand the Social Workers Registration Board would focus on measures that support the Board's call that registration move from the current voluntary system to one that is compulsory and truly provides for the protection of the New Zealand public.

This focus was redirected during 2015–2016 as a result of the request from the Hon. Anne Tolley, Minister for Social Development, that the Board undertake a review of the Act and report back to the Minister by December 2015.

This change of focus had a subsequent impact on the measures that the Board intended to report on and as such the Board has had to realign its measures going forward. The outcome of the review will likely require the Board to draft a new Statement of Intent and update its Statement of Performance Expectations to reflect any changes to the Social Workers Registration Act. This will also have a flow-on effect on the Board's policies and procedures which will also require amendment.

The following measures have also been reviewed in light of the unexpected but substantial costs that occurred in the 2015/2016 financial year in relation to managing the complaint and disciplinary functions of the Board. This was especially evident in the resources required to ensure that Registered Social Workers held current practising certificates.

### Education

The SWRB Programme Recognition Standards, drafted in consultation with the providers of social work education, set the standard for social work qualifications in New Zealand. The Board aims to ensure that all social work students graduate from SWRB-recognised social work qualifications delivered to national standards.

The SWRB updated standards in February 2013 to include that a four-year degree is the standard length of the qualification. As part of the 2015 review of the Social Workers Registration Act 2003 the Board acknowledged that the programme recognition standards would again need to be updated to reflect the changes to social work education set out in the review.

The Board's intention is to, under the new 2016 standards, develop a baseline of satisfaction with social work graduates, pre and post the introduction of the new standards, to measure the impact of the new programme recognition.

**Measure:** Percentage of employers who rate the quality of social work graduates in relation to the extent to which they meet the graduate profile as set out in the SWRB Programme Recognition standards.

Target 2014/2015	Actual 2014/2015	Target 2015/2016 – 2017/2018	Actual 2015/2016
Baseline to be established.	Potential graduate pool identified that will complete qualification based on the graduate profile as set out in the SWRB Programme Recognition standards.	A baseline of 75% of graduates are rated as meeting or exceeding the graduate profile and this figure trends upwards from when the first graduates, educated under the new standards, enter the workforce.	In light of a review of the Programme Recognition Standards the Board will undertake to identify an updated potential graduate pool from those students embarking on the four year qualification beginning in 2017.



## Registration

The Board has invested a significant proportion of the resources it has available to ensure that it provides an efficient and accessible registration system that accurately assesses social workers as meeting, and hopefully exceeding, the minimum standards expected of a competent social work practitioner.

The Board is currently developing a suite of online processes to support social workers attaining and maintaining registration as well as providing information and resources to the profession, the employers of social workers, and the public.

The Board has provided an online register search so that Registered Social Workers can check their details are up to date, employers can check the status of current or future employees in relation to registration, and the public can also check the registration status of social workers they are engaged with.

The Board will survey users who report satisfaction with, and acknowledge the benefits of, the online registration and information systems available to the profession, employers, and the public. The survey will expand over time to reflect the introduction and implementation of new processes and will initially focus on the online register search function and the online annual practising certificate renewal function.

<b>Measure:</b> Percentage of users who report satisfaction with the online functions provided by the Board.			
<b>Target 2014/2015</b>	<b>Actual 2014/2015</b>	<b>Target 2015/2016 – 2017/2018</b>	<b>Actual 2015/2016</b>
Baseline to be established for the online register search function and the annual practising certificate renewal function.	Online register search function is to be amended to reflect legislative requirements and suggested enhancements from users. The annual practising certificate renewal function is established and ready to be assessed as part of the renewal of practising certificates in 2016.	80% of users report satisfaction with the functions provided and this figure increases.	Online functions amended to include changes to search function, annual practising certificate function, and the addition of an online application function. With the addition of new functions a decision was made to not survey users until these functions were released.
<b>Measure:</b> Percentage of users who report identifiable benefits from using the online functions provided by the Board.			
Baseline to be established for the online register search function and the annual practising certificate renewal function.	Online register search function is to be amended to reflect legislative requirements and suggested enhancements from users. The annual practising certificate renewal function is established and ready to be assessed as part of the renewal of practising certificates in 2016.	80% of users report satisfaction with the functions provided and this figure increases.	Online functions amended to include changes to search function, annual practising certificate function, and the addition of an online application function. With the addition of new functions a decision was made to not survey users until these functions were released.

## Practice

The Board recognises that the current voluntary registration system provides for only a semi-regulated social work workforce and therefore the Board is unable to assess the impact of registration across the whole profession when it is not a requirement for all practitioners to be registered.

As noted previously, when considering the safety of members of the public who receive social work services in the current semi-regulated environment, many factors outside the influence of the Board will determine the efficacy of those services. To suggest that the Board's activities alone have resulted in a particular outcome is not only misleading, but also infers that the Board has responsibility for the outcome. The Board can however, measure the value of registration to Registered Social Workers committed to providing competent, innovative, and pioneering social work services. The Board can also measure the value employers gain from recruiting Registered Social Workers and supporting their Registered Social Workers to maintain registration through practising certificate renewal, competence recertification, and continuing professional development.

The Board's aim is that Registered Social Workers are viewed as professionals and adhere to accepted practice standards while continually developing their professional knowledge and skills. The Board will continue to measure the value accorded registration by both social workers and their employers to ensure that the Board remains an efficient and effective regulator.

The Board will survey Registered Social Workers and employers of Registered Social Workers to measure their support for registration and acknowledgment of the benefits of social workers maintaining registration.

<b>Measure:</b> Percentage of eligible Registered Social Workers who maintain their social worker registration through competence recertification and practising certificate renewal.			
<b>Target 2014/2015</b>	<b>Actual 2014/2015</b>	<b>Target 2015/2016 – 2017/2018</b>	<b>Actual 2015/2016</b>
Baseline to be established.	The number of eligible Registered Social Workers who maintain their social worker registration through competence recertification and practising certificate renewal has been established and recorded in the SWRB database.	A baseline of 95% and this figure trends upwards with a target of 100% over the remaining years.	91%
<b>Measure:</b> Percentage of employers who support the social workers they employ to maintain their registration through payment of competence recertification and practising certificate renewal costs.			
Baseline to be established.	The number of employers of eligible Registered Social Workers has been established and recorded in the SWRB database so that payment of competence recertification and practising certificate renewal costs can be recorded in 2015/16.	A baseline of 75% and this figure trends upwards over the remaining years.	As the SWRB is unable to assess those social workers who are reimbursed by their employers for the costs of a competence recertification or APC the SWRB database payment system is to be reconfigured to collect this information.

**Measure:** Percentage of Registered Social Workers who report identifiable enhancement to their practice as a result of maintaining registration.

Target 2014/2015	Actual 2014/2015	Target 2015/2016 – 2017/2018	Actual 2015/2016
Baseline to be established.	The number of eligible Registered Social Workers who maintain their social worker registration through competence recertification and practising certificate renewal has been established and recorded in the SWRB database. These social workers will become the pool of Registered Social Workers who will be surveyed about identifiable enhancement to their practice as a result of maintaining.	A baseline of 75% and this figure trends upwards over the remaining years.	As a result of significant complaint and disciplinary costs and the impact on the budget for the SWRB a decision was made to postpone the changes to the online practising certificate renewal platform to capture this information but this will be included going forward.

**Measure:** Percentage of employers who report identifiable enhancement to the professionalism and practice of their social workers as a result of maintaining registration costs.

Baseline to be established.	The number of employers of eligible Registered Social Workers has been established and recorded in the SWRB database. These employers will become the pool of employers who will be surveyed about identifiable enhancement to the professionalism and practice of their social workers as a result of maintaining registration.	A baseline of 75% and this figure trends upwards over the remaining years.	As a result of significant complaint and disciplinary costs and the impact on the budget for the SWRB a decision was made to postpone the changes to the online practising certificate renewal platform to capture this information but this will be included going forward.
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# PART 2: GOVERNANCE

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## SWRB Board members 2015–2016

Shayne Walker	(Full term) – Chair
Turitea Bolstad	(Full Term) – Deputy Chair
William Pua	(Term Ended 15 May 2016)
Toni Millar	(Full Term)
Sara Georgeson	(Full Term)
Michelle Derrett	(Full Term)
Dianne Wepa-Belz	(Full Term)
Leisa Moorhouse	(Full Term)
Lisa King	(Full Term)
Shirley Ikkala	(Full Term)

## Board meetings

The Board met on:

- 13 and 14 August 2015
- 16 October 2015
- 11 December 2015
- 18 and 19 February 2016
- 8 April 2016
- 9 and 10 June 2016

## Board committees

To facilitate its work, the Board reviewed and maintained a number of sub-committees for the 2015–2016 year.

The committees and their membership were:

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<b>Finance, Audit and Risk Management</b>	Membership: T. Millar (Chair), M. Derrett, D. Wepa, S Walker, L. King
<b>Policy Development and Review</b>	Membership: S. Georgeson (Chair), S. Walker, W. Pua, S. Ikkala, M. Derrett, and T Bolstad.

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## Board member and staff insurance

The SWRB has taken insurance cover for Board members, Board Committee members, and employees for personal loss caused by wrongful acts in the course of their duties where indemnity is not available from the organisation. The SWRB has also taken insurance cover covering personal accident and travel risk for Board members, Board Committee members, and employees where injury or loss occurs whilst on the organisation's business.

# PART 3: REPORT FROM THE CHAIRPERSON

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The 2015/2016 financial year has been an exceptionally busy time for both the Board and staff of the Social Workers Registration Board. The review of the Social Workers Registration Act over the 2015/2016 financial year has been a major undertaking for the Social Workers Registration Board (SWRB) and this has occurred during a period of increased workload in relation to the administration of the SWRB registration framework.

## **The review of the Social Workers Registration Act**

The Minister for Social Development, The Hon. Anne Tolley, requested that the SWRB undertake a full review of the Social Workers Registration Act 2003, as per Section 104 of the Act. As part of the first phase the SWRB was to report back to the Minister with a draft review by December 2015, including whether any amendments to the Act were necessary or desirable. The request from the Minister to review the SWR Act was aligned with the Expert Advisory Panel review of the Child, Youth and Family with the expectation that the review of Child, Youth and Family would inform the review of the SWR Act.

The draft review of the SWR Act was completed in December 2015 and included a set of five recommendations that focused on:

- mandatory registration
- a legal issues paper that specifically focused on required amendments to the Act,
- the delivery and funding of social work education
- entry to social work practice for graduates
- a post-qualification framework for Registered Social Workers.

The Minister acknowledged the significant work undertaken by the SWRB in drafting the first phase of the review document and then set out the process for phase two of the review to be completed in 2016/2017. This second phase of the review, to be completed in the 2016/2017 financial year would involve two distinct areas of work.

1. Referral of the issue of mandatory registration and the legal issues paper to the Social Services Select Committee.

and

2. Instructing the SWRB to further develop and draft recommendations with regard to social work education, entry to practice, and the post-qualification framework for Registered Social Workers.

The SWRB looks forward to reporting on the outcome of the review in the 2016/2017 Annual Report.

## The administration of the SWRB registration framework

The administration of the SWRB registration framework is the SWRB's major output and involves five main areas of work.

1. Receiving applications for registration and renewal of Annual Practising Certificates.
2. Assessing SWRB-recognised Social Work Degree Qualification against the SWRB Programme Recognition Standards.
3. Holding Registered Social Workers accountable via the SWRB Code of Conduct and the SWRB Complaints and Disciplinary Tribunal.
4. Reviewing the competence of Registered Social Workers.
5. Providing information and promoting registration to the profession, employers of social workers and the public.

Over the 2015/2016 financial year the SWRB faced the challenge of an unprecedented increase in the level of workload in all five areas.

The specific details are explained in depth in this report but briefly this included a:

- 48% increase in the number of social workers being registered from the previous year and the highest number of new registrations in one year since registration was introduced in October 2004
- 11% increase in the number of applications for registration by social workers from the previous year and the highest number of new applications for registration in one year since registration was introduced in October 2004
- 31% increase in the number of full competence assessments undertaken by the SWRB in comparison to the previous year
- 177% increase in the number of competence recertification assessments undertaken by the SWRB in comparison to the previous year.

The financial challenge to the Board of the SWRB, as a result of the operational resources required to meet the increased workload demands, is evident in our end of year financial report. As a result the SWRB's expenditure for the period exceeded what was budgeted by 25%. This was offset by an increase of 12% on our budgeted income but still left the Board relying on our accumulated funds to cover the remaining 13% of expenditure over budget.

The majority of the unbudgeted expense was as a direct result of the costs associated with the complaints and disciplinary functions of the Board. The protection of the public and holding social workers accountable for their practice is the main purpose of the SWR Act and therefore the Board recognises that managing the complaints and disciplinary process is a direct cost of implementing the Act. What is of concern for the Board is that a significant proportion of the disciplinary costs were as a result of ensuring Registered Social Workers complied with the legislated requirement to hold valid practising certificates.

Social workers have for a number of years demanded that they be given equal recognition as a profession alongside those professions they work with on a daily basis. With that recognition however, comes responsibility. Annual Practising Certificates are not issued on the basis of payment but are issued to Registered Social Workers who are deemed as competent, experienced practitioners who have been assessed as fit and proper people to deliver social work practice. The simplest analogy is that a licence to drive a motor vehicle is not issued on the basis of payment but is issued to individuals who have been assessed as competence, experienced drivers. Just as there are legal consequences for driving without a valid licence there are also legal consequences for Registered Social Workers practising with a valid practising certificate.

The SWRB actively works with individuals who do not renew their practising certificates on time but in the end the SWRB is in breach of the SWR Act if it does not take action against social workers who practise without an APC. Registered Social Workers are held to the same level of accountability as teachers, nurses, psychologists, and other registered professionals.

As the legislated regulatory authority charged with ensuring the public receives competent social work services from registered practitioners, the Board will continue to hold Registered Social Workers accountable and require them to comply with the Social Workers Registration Act. The cost to Registered Social Workers of assuring this accountability to the public will increase or decrease in direct proportion to the responsibility Registered Social Workers take for ensuring that they, and their social work colleagues, adhere to the requirements of the Act.



**Shayne Walker**  
Chair

## 2015–2016 update on the Social Workers Registration Board data

The social work profession, and the employers of social workers, continue to support social work registration and this is evident in terms of the number of social workers applying for and maintaining registration.

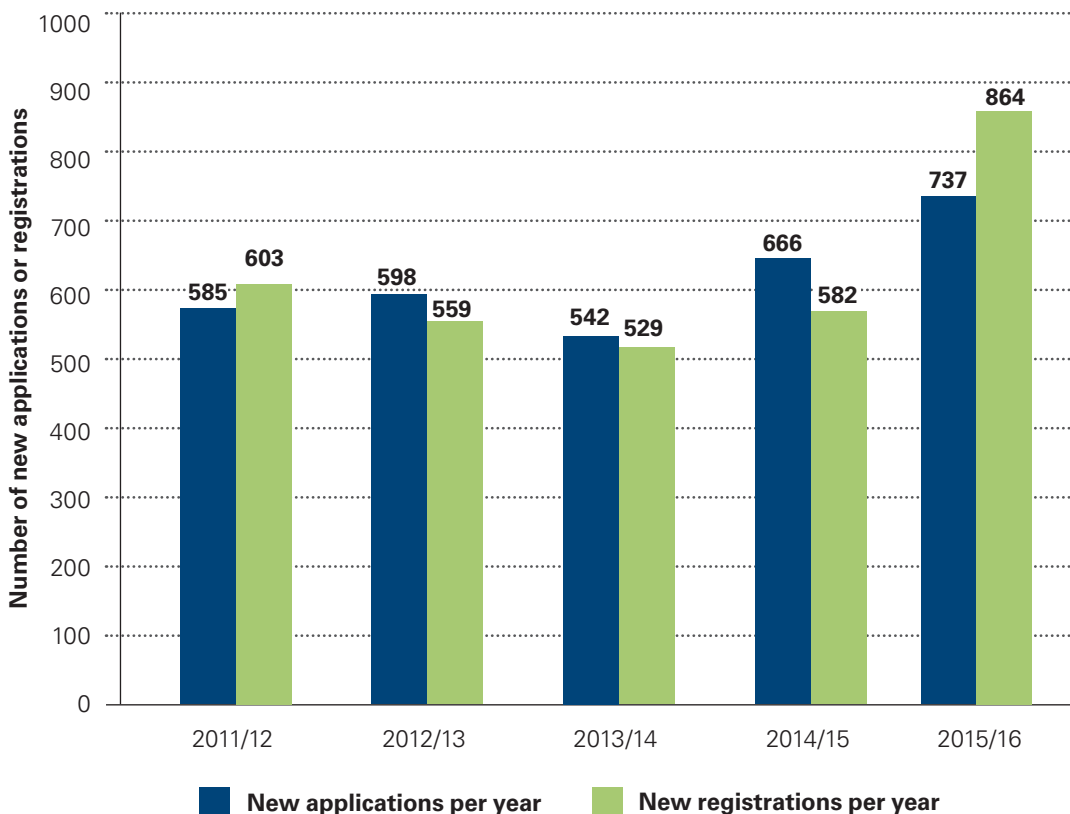
The following graphs provide a snapshot of the last five years of data recorded by the Board in relation to registration applications, annual practising certificate renewals, complaints received, and the numbers of Registered Social Workers across the various employers of social workers in New Zealand.

### Managing the registration of social workers

The number of new applications for registration received by the Board remained fairly consistent in the previous four years but in 2015/2016 the number of new application increased by 48% on the 2014/2015 year.

Figure 1 below provides information on the number of social workers applying for registration each year along with the number of applicants (from the current or previous years) who have been registered.

**Figure 1: Applications for registration and new registrations per year 2011– 2016**





## Setting standards for social work education and training

Since 1 January 2006 the entry level qualification for the purposes of registration has been a degree-level social work qualification. The Board continues to recognise historical social work qualifications commenced prior to 1 January 2006.

The Social Workers Registration Board currently recognises a range of undergraduate and postgraduate social work qualifications provided by seventeen providers. The Board reviews programmes every five years.

At the undergraduate level, for entry in 2015 the Board recognises:

- Five 4-year degrees at Universities (three of these may be awarded with honours and two have an honours stream)
- One 4-year degree at a Private training establishment
- Three 4-year degrees in the polytechnic/institute of technology sector
- Six 3-year degrees in the polytechnic/institute of technology sector
- One 3-year degree and one 4-year degree in the Wananga sector
- One 4-year combined social work, mental health, and addictions double major at a polytechnic.

At the postgraduate level there are three university professional masters programmes, two of which may be awarded with honours, currently offered.

The qualifications and providers are as set out in Table 1 below.

INSTITUTION	QUALIFICATION
Bethlehem Tertiary Institute	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> </ul>
Christchurch Polytechnic Institute of Technology	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> </ul>
Eastern Institute of Technology	<ul style="list-style-type: none"> <li>• Bachelor of Applied Social Sciences (Social Work major)</li> </ul>
Massey University	<ul style="list-style-type: none"> <li>• Bachelor of Social Work (may be awarded with Honours)</li> <li>• Master of Applied Social Work (may be awarded with Honours)</li> </ul>
Manukau Institute of Technology	<ul style="list-style-type: none"> <li>• Bachelor of Applied Social Work</li> </ul>
NorthTec	<ul style="list-style-type: none"> <li>• Bachelor of Applied Social Service (Social Work major)</li> <li>• Bachelor of Applied Social Service</li> <li>• (Social Work and Mental Health and Addictions double major)</li> </ul>
Open Polytechnic	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> </ul>
Te Wānanga o Aotearoa	<ul style="list-style-type: none"> <li>• Bachelor of Social Work (Biculturalism in Practice)</li> </ul>
Te Wānanga o Raukawa	<ul style="list-style-type: none"> <li>• Poutuārongo Toiora Whānau</li> </ul>
The University of Auckland	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> <li>• Bachelor of Social Work (Honours)</li> <li>• Master of Social Work ( Professional) (may be awarded with Honours)</li> </ul>
Unitec New Zealand	<ul style="list-style-type: none"> <li>• Bachelor of Social Practice</li> </ul>

University of Canterbury	<ul style="list-style-type: none"> <li>• Bachelor of Social Work (may be awarded with Honours)</li> <li>• Master of Social Work (Applied)</li> </ul>
University of Otago	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> <li>• Bachelor of Social Work (Honours)</li> </ul>
University of Waikato	<ul style="list-style-type: none"> <li>• Bachelor of Social Work (may be awarded with honours)</li> </ul>
Waiariki Institute of Technology	<ul style="list-style-type: none"> <li>• Bachelor of Applied Social Science (Social Work)</li> </ul>
Whitireia Polytechnic	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> </ul>
Wintec	<ul style="list-style-type: none"> <li>• Bachelor of Social Work</li> </ul>

## Considering complaints against Registered Social Workers

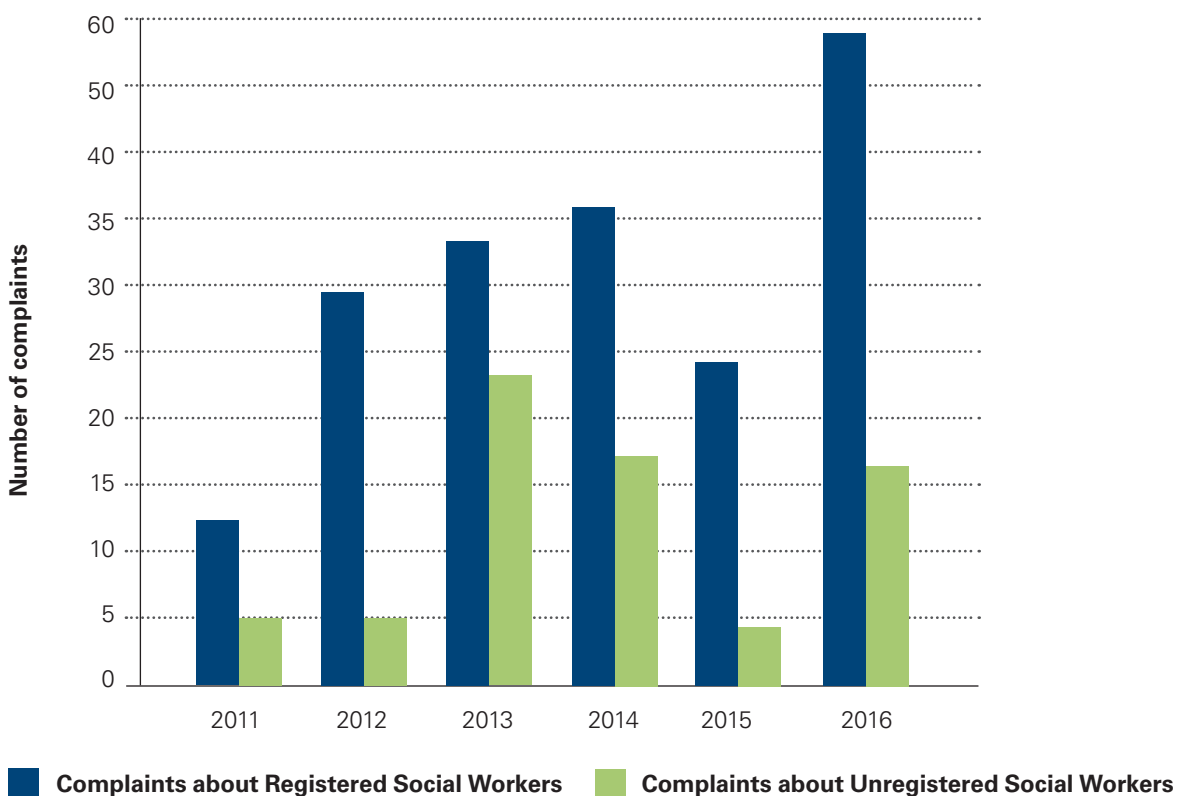
The Social Workers Registration Board Complaints and Disciplinary Tribunal can only accept complaints about the practice of Registered Social Workers where there is an identified breach of the Code of Conduct.

Figure 2 below indicates the number of complaints received in a given year.

A Competence Review is usually undertaken when a complaint does not reach the threshold of an identified breach of the Code of Conduct but the Chair of the Tribunal considers there to be enough evidence to warrant a referral back to the Social Workers Registration Board with the recommendation that a competence review if undertaken. The social worker's competence to practise is reviewed and any necessary conditions or restrictions on the social worker's practise are imposed.

Under the SWR Act a complaint is referred to the Health and Disability Commission if the complainant is a consumer of a health service.

**Figure 2. Complaint Numbers 2011–2016**



The Board receives a number of complaints about social workers who are not registered but is unable to act on the complaint.

Identifying the number of these complaints is difficult as often complainants will call to ask if a particular social worker is registered and when told they are not, do not continue with the discussion or else they find out the social worker is not registered as they do not appear on the public register.

## Enhancing the professionalism of social workers

The SWRB maintains a Code of Conduct for social workers and reinforces high standards of practice by requiring Registered Social Workers to meet minimum criteria in order to hold an Annual Practising Certificate (APC).

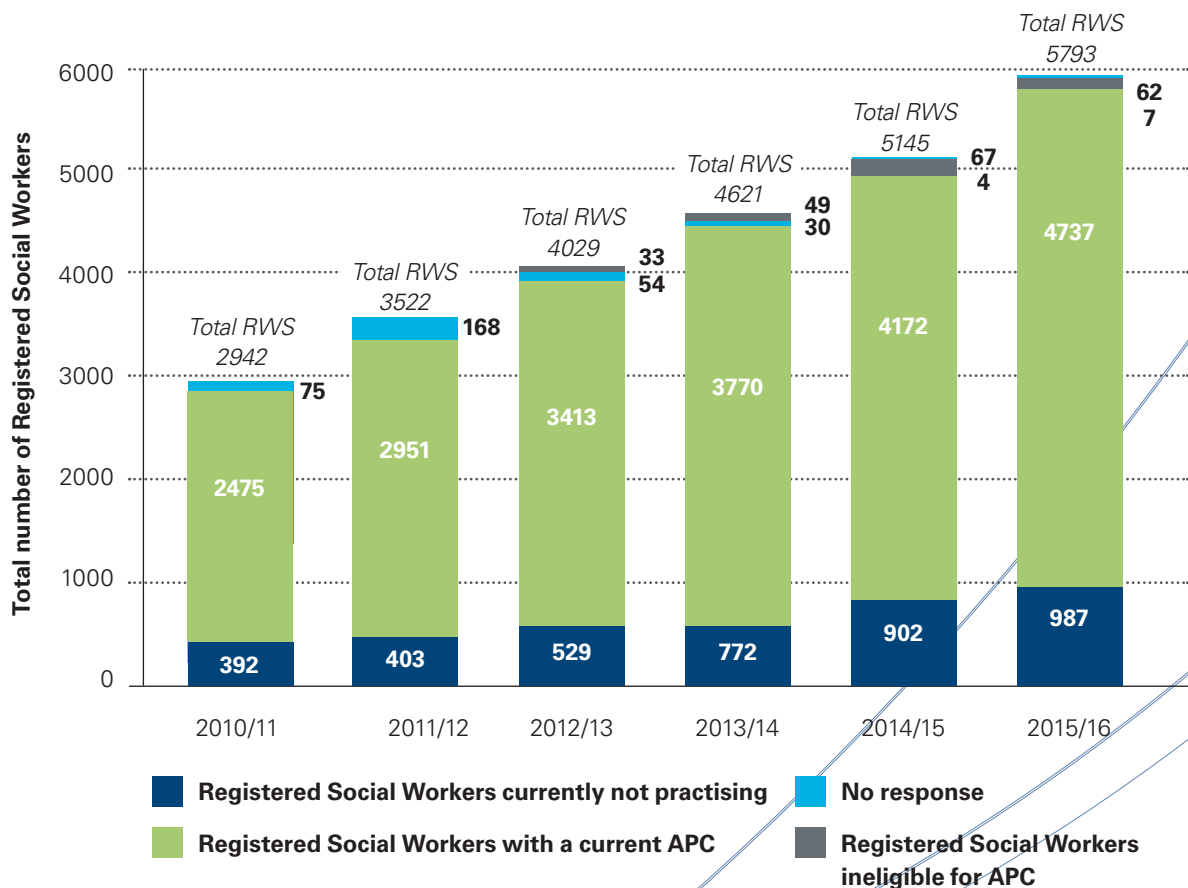
This minimum criteria involves maintaining a valid competence assessment certificate, being a fit and proper person to practice social work, and engaging in ongoing professional development.

While the Board accepts that some social workers will not be practising, the Board requires confirmation of this to ensure that social workers are not practising without valid APCs.

The Board actively follows up on Registered Social Workers who may be practising without a current APC advising both the practitioner and their employer of their obligations under the SWR Act.

Figure 3: Total registrations compared with total APCs issued sets out the number of Registered Social Workers who identify as practising, not practising or did not respond to the renewal notice sent to them. In 2012/2013 the Board also started to identify those not eligible to renew their Practising Certificates as they had let their competence assessment certificates expire.

**Figure 3: Total registrations compared with total APCs issued 2010–2016**



## Promoting the benefits of registration

The benefits of registration are two-fold.

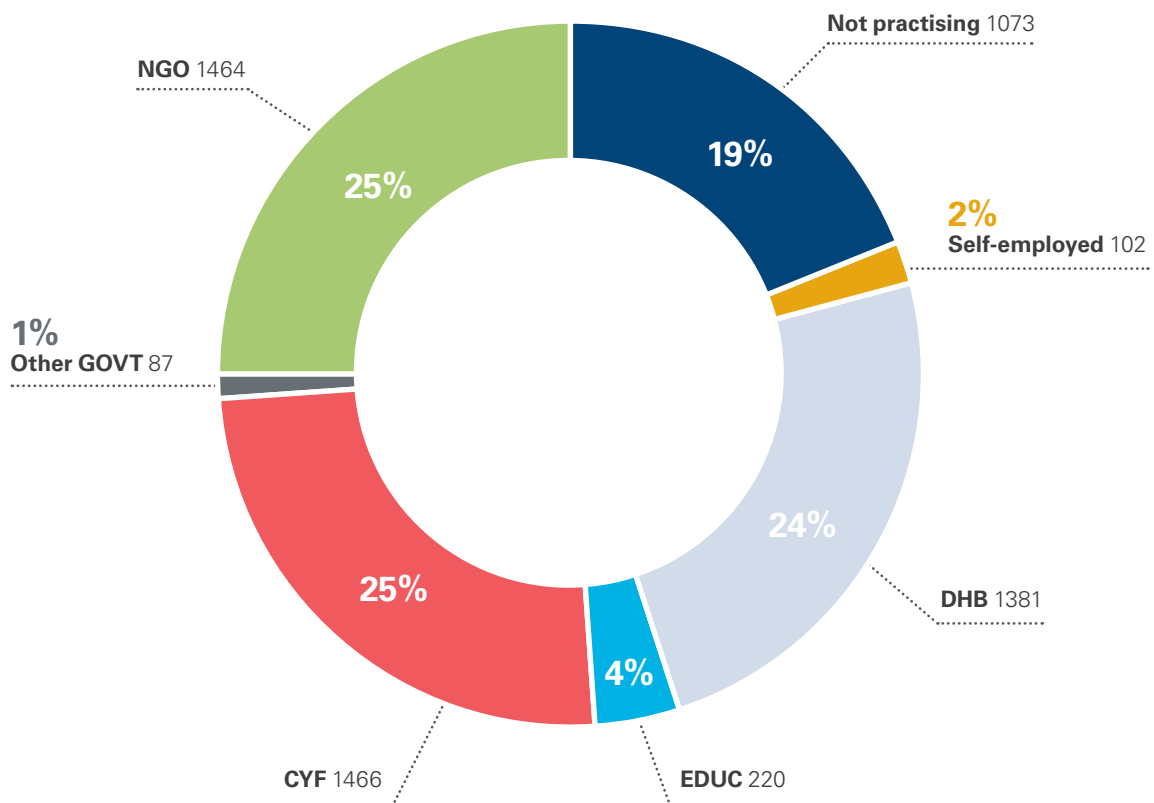
Primarily it has the purpose of protecting the safety of the public by providing a mechanism to ensure that social workers are competent to practise and are held accountable for the way in which they practise.

The registration framework also provides a process for social workers to have their competence and fitness to practise social work publically acknowledged.

Figure 4 below provides the number of Registered Social Workers who have identified that they are employed within different sectors or else not practising.

Child, Youth and Family (25%) and the District Health Boards (24%) are the largest single employers of Registered Social Workers followed by the non-government sector organisations employing 25%.

**Figure 4:**  
**Number of Registered Social Workers by employer 2016**



## Equal employment opportunities (EEO)

The Social Workers Registration Board (SWRB) is committed to the operation of Human Resources policies that comply with the principles of being a good employer.

Consistent with these principles and in accordance with the Human Rights Commission EEO and Crown Entities Good Employer principles, the SWRB operates Human Resource policies containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including provisions requiring:

- good and safe working conditions; and
- an equal employment opportunities programme; and
- the impartial selection of suitability qualified persons for appointment.

### The Board also recognises:

- the aims and aspirations of Māori; and
- the employment requirements of Māori; and
- the need for greater involvement of Māori in Social Work.

### The SWRB is committed to providing:

- opportunities for the enhancement of the abilities of individual employees; and
- recognition of the aims and aspirations, and cultural differences, of ethnic or minority groups; and
- recognition of the employment requirements of women; and
- recognition of the employment requirements of persons with disabilities.

### The SWRB continues to maintain:

- the even representation of men and women in the workplace
- the even representation of men and women in the decision-making structures of the work of the Board
- the participation and representation of Māori as employees and as Board members
- participation and representation of other ethnic groups as employees and as Board members.

The SWRB encourages and supports participation and representation of people with disabilities as employees and Board members.

SWRB policies are in place to ensure that all employees maintain proper standards of integrity, conduct, and concern for protection of public safety and interest.

The following Good Employer elements are part of the SWRBs relationship with employees and Board members.

- **Leadership, accountability, and culture**

The SWRB is a small team of 10 staff and all actively engage in the development of policies and procedures that impact on their positions within the SWRB. The SWRB uses the Public Service code of conduct as well as Operational Staff Level and Governance Level manuals.

- **Recruitment selection and induction**

The SWRB recruitment process is based on merit. The SWRB staff comprise of nine women and one man. Seven staff work fulltime and three staff are in part-time positions. Seven staff identify as Pakeha/European, two Māori, and one other.

- **Employee development, promotion and exit**

All staff have access to professional development opportunities and are provided regular support from senior members of the staff. Formal annual performance appraisals are undertaken.

- **Flexibility and work design**

The SWRB is a small office but works with staff to ensure that where possible flexible working arrangements are made available.

- **Remuneration recognition and conditions**

The Chief Executive reviews staff salaries on an annual basis, taking into account performance of the individual staff member and external factors that may influence salary expectations.

- **Harassment and bullying prevention**

The SWRB operates a zero tolerance to bullying and harassment and encourages staff to bring to the attention of the Chief Executive or Board any instances of workplace bullying or harassment.

- **Safe and healthy environment**

SWRB staff have access to an Employment Assistance Programme that provides confidential professional advice and counselling. All staff are provided with information with regard to emergency procedures. Health and safety equipment, including emergency provisions, are available in the SWRB office in the event of any disaster.

# PART 4: FINANCIAL STATEMENTS

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## STATEMENT OF RESPONSIBILITY

FOR THE YEAR ENDED 30 JUNE 2016

In terms of the Crown Entities Act 2004, the Board is responsible for the preparation of the SWRB's financial statements and statement of service performance, and for the judgements made in them.

The Board of the SWRB has the responsibility for establishing, and has established, a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statement of service performance fairly reflect the financial position and operations of the SWRB for the year ended 30 June 2016.



**Shayne Walker**  
Chairperson  
31 October 2016



**Michelle Derrett**  
Board Member  
31 October 2016

### Independent Auditor's Report

AUDIT NEW ZEALAND  
Mana Arotake Aotearoa

To the readers of the Social Workers Registration Board's financial statements and performance information for the year ended 30 June 2016

The Auditor-General is the auditor of the Social Workers Registration Board (the Registration Board). The Auditor-General has appointed me, Stephen Lucy, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and the performance information of the Registration Board on her behalf.

#### Opinion on the financial statements and the performance information

We have audited:

- the financial statements of the Registration Board on pages 30 to 40, that comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Registration Board on pages 6 to 9 and 26 to 29.

In our opinion:

- the financial statements of the Registration Board:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2016; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand and have been prepared in accordance with the Public Benefit Entity Simple Format Reporting – Accrual (Public Sector) Standard.
- the performance information:
  - presents fairly, in all material respects, the Registration Board's performance for the year ended 30 June 2016, including for each class of reportable outputs:
    - its standards of performance achieved as compared with forecasts included in the statement of performance expectations for the financial year; and
    - its actual revenue and output expenses as compared with the forecasts included in the statement of performance expectations for the financial year.
  - complies with generally accepted accounting practice in New Zealand.

Our audit was completed on 31 October 2016. This is the date at which our opinion is expressed.

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



## **Basis of opinion**

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the performance information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and the performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the performance information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements and the performance information, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Registration Board's financial statements and performance information 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 Registration Board's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Members of the Board;
- the appropriateness of the reported performance information within the Registration Board's framework for reporting performance;
- the adequacy of the disclosures in the financial statements and the performance information; and
- the overall presentation of the financial statements and the performance information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the performance information. Also, we did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

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

### **Responsibilities of the Members of the Board**

The Members of the Board are responsible for preparing financial statements and performance information that:

- comply with generally accepted accounting practice in New Zealand;
- present fairly the Registration Board's financial position, financial performance and cash flows; and
- present fairly the Registration Board's performance.

The Members of the Board's responsibilities arise from the Crown Entities Act 2004.

The Members of the Board are responsible for such internal control as they determine is necessary to enable the preparation of financial statements and performance information that are free from material misstatement, whether due to fraud or error. The Members of the Board are also responsible for the publication of the financial statements and the performance information, whether in printed or electronic form.

### **Responsibilities of the Auditor**

We are responsible for expressing an independent opinion on the financial statements and the performance information and reporting that opinion to you based on our audit. Our responsibility arises from the Public Audit Act 2001.

### **Independence**

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board.

Other than the audit, we have no relationship with or interests in the Registration Board.



### **S B Lucy**

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

## ENTITY INFORMATION

FOR THE YEAR ENDED 30 JUNE 2016

<b>Legal Name of Entity:</b>	Social Workers Registration Board
<b>Type of Entity:</b>	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 New Zealand public, as opposed to that of making a financial return.
<b>Legal Basis:</b>	The Board was established as a Crown agent as per the Crown Entities Act 2004 with its role established under the Social Workers Registration Act 2003.
<b>Mission:</b>	To ensure that all Social Workers are registered.
<b>Structure:</b>	The entity comprises a Board who oversee governance, a Chief Executive who is responsible for the day-to-day operations and reports to the Board, and five other full-time staff who support the Chief Executive in delivering against the Board's objectives. The Secretariat operates from a single office.
<b>Main sources of the Entity's Cash and Resources:</b>	Fees for Annual Practising Certificates, on application for registration, on application for competence assessment, from tertiary institution course accreditation, and interest on investments.

## Contact details

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**Postal Address:** PO Box 3452, WELLINGTON

**Telephone Number:** +64 4 931 2650

**Fax Number:** +64 4 931 2651

**Email:** [info@swrb.govt.nz](mailto:info@swrb.govt.nz)

# STATEMENT OF SERVICE PERFORMANCE 2015–2016

## REPORTING ON OUTPUTS

### Output: Implementation of the SWRB registration framework

What is intended to be achieved?

We protect the public's safety by administering a registration framework to ensure that social workers are competent to practise and held accountable for their practice.

#### PERFORMANCE MEASURE

*The percentage of Social Work Qualifications due for re-recognition that are assessed by panels prior to their expiry date will be no less than:*

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
100%	100%	100%	100%	100%	100%	100%	100%

#### PERFORMANCE MEASURE

*The percentage of completed applications for Registration that are assessed and presented to the Board for approval within 60 working days, will be no less than:*

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
100%	100%	100%	100%	100%	100%	100%	100%

#### PERFORMANCE MEASURE

*The percentage of APC applications that are processed within 20 working days will be no less than:*

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
100%	100%	100%	100%	100%	100%	100%	100%

## PERFORMANCE MEASURE

The percentage of applicants who report being satisfied with the Registration and APC renewal process will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
80%	90%	90%	92%	90%	77%	90%	89%*

## PERFORMANCE MEASURE

The percentage of competence assessments that are completed within 20 working days will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
100%	100%	100%	100%	100%	100%	100%	100%

## PERFORMANCE MEASURE

The percentage of competence re-certification assessments that are completed within 20 working days will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
100%	100%	100%	100%	100%	100%	100%	100%

## PERFORMANCE MEASURE

The percentage of applicants who report being satisfied with the Competence Assessments process will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
80%	85%	90%	92%	90%	78%	90%	85% **

## PERFORMANCE MEASURE

The number of events that inform and promote the benefits of Registration to Social Workers, employers of Social Workers, and the public, will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
15	52	20	45	40	66	40	66

## PERFORMANCE MEASURE

The percentage of people who report that they are satisfied with promotional material they receive will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
80%	90%	90%	92%	90%	84%	90%	86%***

## PERFORMANCE MEASURE

The percentage of formal complaints received and referred to the Complaints and Disciplinary Tribunal to be processed within 20 working days will be no less than:

2012/2013		2013/2014		2014/2015		2015/2016	
Target	Actual	Target	Actual	Target	Actual	Target	Actual
100%	100%	100%	100%	100%	100%	100%	100%

\* This result was collected via a survey sent to all applicants for registration. The survey allowed for respondents to provide comments in relation to their satisfaction scores. In general the comments reflected the individual's ability to understand the process required by the legislation as opposed to their satisfaction with the material provided. The process has not changed since 2013/2014 and this year the SWRB is pleased to note that they recorded a higher satisfaction rate (89%) compared with a 77% satisfaction rate in 2014/2015.

\*\* This result was collected via a survey sent to all applicants for competence assessment. The survey allowed for respondents to provide comments in relation to their satisfaction scores. In general the comments reflected the individual's ability to understand the process and timelines required by the legislation as opposed to their satisfaction with the material provided. The process has not changed since 2013/2014 and the SWRB is pleased to note that this year the SWRB recorded a higher satisfaction rate (86%) compared with a 78% satisfaction rate in 2014/2015.

\*\*\* This result was collected via a survey sent to all applicants for registration and competence assessments or recertifications. The survey allowed for respondents to provide comments in relation to their satisfaction scores. In general the comments reflected the individual's ability to understand the process and timelines required by the legislation as opposed to their satisfaction with the material provided. The process has not changed since 2013/2014 and the SWRB is pleased to note that this year the SWRB recorded a higher satisfaction rate (86%) compared with a 84% satisfaction rate in 2014/2015.

## PROSPECTIVE STATEMENT OF SERVICE PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2016

The Social Workers Registration Board is charged with protecting the public's safety by implementing a registration framework to ensure that social workers are competent to practise and held accountable for their practice.

The Board has one output class:

### Implementation of the Social Workers Registration Board Registration Framework

The Board has one output class:

### Implementation of the Social Workers Registration Board Registration Framework

	<b>Actual 2016 \$'000</b>	<b>Budget 2016 \$'000</b>	<b>Actual 2015 \$'000</b>
Revenue	1,804	1,606	1,571
Expenditure	2,013	1,607	1,522

This is implemented via the following processes.

- Management of the registration of social workers
- Consideration of complaints against Registered Social Workers
- Enhancement of the professionalism of Social workers
- Promotion the benefits of registration
- Set standards for social work education and training

## STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Actual 2016 \$	Budget 2016 \$	Actual 2015 \$
<b>INCOME</b>				
Application, registration, and practising fees		1,724,952	1,502,160	1,498,462
Expense recoveries and other income		49,721	74,000	35,357
Interest		29,714	30,000	36,798
<b>Total Income</b>		<b>1,804,387</b>	<b>1,606,160</b>	<b>1,570,617</b>
<b>EXPENDITURE</b>				
Employee-related costs	1	910,090	702,500	654,010
Board costs		133,390	105,000	112,557
Costs of providing services		299,515	317,000	190,186
Depreciation and amortisation	4	120,299	124,000	109,247
Loss on disposal of property, plant, and equipment		–	–	5,469
Administration and overhead costs		549,871	358,500	450,961
<b>Total Expenditure</b>		<b>2,013,165</b>	<b>1,607,000</b>	<b>1,522,430</b>
<b>Net Surplus/(Deficit)</b>		<b>\$(208,778)</b>	<b>\$(840)</b>	<b>\$48,187</b>
<b>Income Tax</b>		<b>–</b>	<b>–</b>	<b>–</b>
<b>Net Surplus/(Deficit) after tax</b>		<b>\$(208,778)</b>	<b>\$(840)</b>	<b>\$48,187</b>

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Actual 2016 \$	Budget 2016 \$	Actual 2015 \$
Balance at 1 July		629,869	702,835	581,682
Net Surplus/(Deficit) after tax		(208,778)	(840)	\$48,187
<b>Balance at 30 June</b>	<b>8</b>	<b>\$ 421,091</b>	<b>\$ 701,995</b>	<b>\$ 629,869</b>

Explanations of major variances against budget are provided in note 15.



## STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	Actual 2016 \$	Budget 2016 \$	Actual 2015 \$
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	2	1,927,791	642,072	827,351
Investments	3	–	1,050,000	500,000
Accounts receivable		8,647	8,400	7,220
Prepayments		30,475	2,000	23,246
<b>Total current assets</b>		<b>1,966,913</b>	<b>1,702,472</b>	<b>1,357,817</b>
<b>NON-CURRENT ASSETS</b>				
Property, plant and equipment, and intangibles	4	298,420	323,836	353,008
<b>Total assets</b>		<b>2,265,333</b>	<b>2,026,308</b>	<b>1,710,825</b>
Less:				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accruals	5	369,570	251,314	246,219
Employee entitlement	6	62,361	35,000	61,431
Income received in advance	7	1,389,280	1,038,000	743,999
Deferred lease liability		6,276	–	6,276
<b>Total current liabilities</b>		<b>1,827,487</b>	<b>1,324,314</b>	<b>1,057,925</b>
<b>NON-CURRENT LIABILITIES</b>				
Deferred lease liability		16,755	–	23,031
<b>Total liabilities</b>		<b>1,844,242</b>	<b>1,324,314</b>	<b>1,080,956</b>
<b>Net assets</b>		<b>\$ 421,091</b>	<b>\$ 701,995</b>	<b>\$ 629,869</b>
<b>EQUITY</b>				
General funds		421,091	701,995	629,869
<b>Total equity</b>	8	<b>\$ 421,091</b>	<b>\$ 701,995</b>	<b>\$ 629,869</b>

Explanations of major variances against budget are provided in note 15.

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

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Actual 2016 \$	Budget 2016 \$	Actual 2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Registration fees, levies, and APC fees	2,370,233	1,514,660	1,671,741
Other revenue	41,074	55,500	34,930
Interest received	36,507	27,910	30,005
Payments to suppliers	(872,503)	(726,188)	(626,510)
Payments to personnel	(909,160)	(702,500)	(661,263)
<b>Net Cash flows from Operating Activities</b>	<b>666,151</b>	<b>169,382</b>	<b>448,903</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Movement in bank term deposits	500,000	50,000	(500,000)
Purchase of property, plant, and equipment	(20,029)	(14,000)	(74,325)
Purchase of intangible assets	(45,682)	(90,000)	(138,688)
<b>Net Cash flows from Investing Activities</b>	<b>434,289</b>	<b>(54,000)</b>	<b>(713,013)</b>
<b>Net Increase/(Decrease) in Cash or cash equivalents</b>	<b>1,100,440</b>	<b>115,383</b>	<b>(264,110)</b>
Cash or cash equivalents at beginning of the year	827,351	549,521	1,091,461
<b>Cash or cash equivalents at end of the year</b>	<b>\$ 1,927,791</b>	<b>\$ 642,072</b>	<b>\$ 827,351</b>

*The GST (net) component of cash flows from operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and to be consistent with the presentation basis of the other primary financial statements.*

*The cash flows relating to the Board's investing activities have been netted off in the Statement of Cash Flows because the amounts involved are held in short deposits which are rolled over frequently during the year.*

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

# STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2016

## Reporting entity

The Social Workers Registration Board is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing the Board's operations includes the Crown Entities Act 2004 and the Social Workers Registration Act 2003. The Board's ultimate parent is the New Zealand Crown.

The Board's primary objective is to provide services to the New Zealand public and does not operate to make a financial return.

The Board has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements for the Board are for the year ending 30 June 2016 and were approved by the Board on 14 October 2016.

## Basis of preparation

The financial statements of the Social Workers Registration Board have been prepared in accordance with Tier 3 PBE Standards on the basis that it does not have public accountability and has total annual expenses in the last two consecutive years of less than or equal to \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

These financial statements comply with PBE Standards.

## Changes in accounting policies

There have been no changes in accounting policies during the financial year.

## Functional and presentation currency

The financial statements are presented in New Zealand dollars. Transactions not in New Zealand dollars are translated at the exchange rate at the date of the transaction, Monetary asset and liability balances are to be translated using the exchange rate at balance date.

## Summary of 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 when earned.

### Fees

Revenue from Annual Practising Certificate fees are recognised in the year to which the practising certificate relates. Other fee revenue is recognised on receipt.

## **Leases**

### **Operating leases**

Leases that do not transfer substantially all the risks and reward 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 includes cash on hand, deposits held on call with banks, and other short-term, highly-liquid investments with maturities of three months or less.

### **Accounts receivable**

Short-term receivables are recorded at the amount due, less any provision for uncollectability.

### **Investments**

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

### **Property, plant and equipment, and intangible assets**

Property, plant and equipment assets classes consist of leasehold improvements, furniture, office, and computer equipment which are shown at cost less any accumulated depreciation and impairment losses. Intangible assets consist of developed software and website which are shown at cost less any accumulated amortisation and impairment losses.

### **Additions**

The cost of an item 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.

### **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, and intangible assets are recognised in the statement of financial performance as they are incurred.

### **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.

### **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, and computer equipment is provided on a diminishing value basis at rates provided under the Income Tax Act 2007.

Leasehold improvements (16.7% SL)

Furniture and office equipment (18% – 60% DV)

Computer equipment (48% DV)

## **Amortisation**

Intangible assets are amortised on a straight line basis over the estimated remaining useful life of asset using the following

Developed computer software (20% SL)

Developed website (33% SL)

## **Impairment of property, plant and equipment, and intangible assets**

If an asset's value to the Board in using the asset falls below the carrying amount of the asset it 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 cost.

## **Employee entitlements**

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)**

Items in the financial statement are presented exclusive of Goods and Services Tax (GST), except for receivables and payables that are stated inclusive of GST.

The amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

## **Income tax**

The Board is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

## **Budget figures**

The budget figures are derived from the statement of performance expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with Tier 3 standards, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
<b>1. EMPLOYEE RELATED COSTS</b>		
Salaries	831,720	596,336
Defined contribution plan employer contribution	34,253	25,632
Training and development	18,270	11,635
Recruitment	3,134	15,382
Other	5,478	5,033
Increase/(Decrease) in employee entitlements	17,235	(8)
	<b>910,090</b>	<b>654,010</b>

### 2. CASH AND CASH EQUIVALENTS

Cash on hand and at bank	1,758,665	722,054
Cash equivalents – bank call deposits	169,126	105,297

*The carrying value of short term deposits with maturity dates of 3 months or less approximates their fair value.*

<b>1,927,791</b>	<b>827,351</b>
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### 3. INVESTMENTS

Current investments are represented by:

Bank term deposit	–	500,000
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*The carrying value of short term deposits with maturity dates of 12 months or less approximates their fair value.  
The weighted average effective interest rate for term deposits in 2016 was 4.054%. (2015 4.15%)*

### 4. PROPERTY, PLANT, AND EQUIPMENT

	Furniture and office equipment \$	Computers equipment \$	Leasehold alterations \$	Database and Website \$	Total \$
Carrying value 1 July 2014	27,491	24,436	2,726	200,058	254,711
Additions	49,055	11,114	78,519	74,325	213,013
Disposals (at net carrying value)	(5,469)	–	–	–	(5,469)
Depreciation and amortisation	(13,459)	(13,449)	(14,370)	–	(41,278)
Amortisation	–	–	–	(67,969)	(67,969)
<b>Carrying value 30 June 2015</b>	<b>57,618</b>	<b>22,101</b>	<b>66,875</b>	<b>206,414</b>	<b>353,008</b>
Carrying value 1 July 2015	57,618	22,101	66,875	206,414	353,008
Additions	33,079	12,603	–	20,029	65,711
Disposals (at net carrying value)	–	–	–	–	–
Depreciation	(19,781)	(13,824)	(14,567)	–	(48,172)
Amortisation	–	–	–	(72,127)	(72,127)
<b>Carrying value 30 June 2016</b>	<b>70,916</b>	<b>20,880</b>	<b>52,308</b>	<b>154,316</b>	<b>298,420</b>

*The total amount of property, plant, and equipment in the course of construction is \$nil (2015 \$nil)  
There are no restrictions over the title of the Board's assets, nor are any assets pledged as security for liabilities.*

	2016 \$	2015 \$
<b>5. ACCOUNTS PAYABLE AND ACCRUALS</b>		
Creditors	340,946	219,069
Accrued expenses	28,624	27,150
	<b>369,570</b>	<b>246,219</b>

#### 6. EMPLOYEE ENTITLEMENTS

Accrued salaries	80	16,854
Annual leave	60,131	42,896
Other employee entitlements	2,150	1,681
	<b>62,361</b>	<b>61,431</b>

#### 7. FEES RECEIVED IN ADVANCE

Annual Practising Certificate	1,329,280	743,999
Prepaid registration application fees	60,000	–
	<b>1,389,280</b>	<b>743,999</b>

*The Board's annual practicing certificate year commences on 1 July. Fees received prior to balance date for the subsequent year are recorded at fees received in advance. Registration fees are recognised when all application data has been received.*

#### 8. EQUITY

##### General funds

Balance at 1 July	629,869	581,682
Surplus/(deficit)	(208,778)	48,187
Balance at 30 June	<b>421,091</b>	<b>629,869</b>

#### 9. CAPITAL COMMITMENTS AND OPERATING LEASES

##### Capital commitments

The Board has made no commitments for capital expenditure at year end. (2015 Nil)

##### Operating leases as lessee

The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows:

Not later than one year	84,141	84,141
Later than one year and not later than five years	224,376	308,517
Later than five years	–	–
	<b>308,517</b>	<b>392,658</b>

*The Board leases Level 6, 11 Chews Lane, 45-55 Willis Street, Wellington for a term of six years commencing 1 March 2014 and expiring on 28 February 2020. There is a right of renewal for two further periods of three years with a final expiry date of 28 February 2026.*

*There are no restrictions placed on the Board by the leasing arrangement.*

## 10. CONTINGENCIES

### Contingent liabilities

The Board has no contingent liabilities at year end. (2015 Nil)

### Contingent assets

The Board has no contingent assets at year end. (2015 Nil)

## 11. RELATED-PARTY TRANSACTIONS

The Social Workers Registration Board is controlled by the Crown.

Related-party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Board would have adopted in dealing with the party at arm's length in the same circumstances.

## 12. BOARD MEMBER REMUNERATION

The total value of remuneration paid or payable to each Board member during the year was:

	<b>2016</b>	<b>2015</b>
	\$	\$
Bolstad, Turitea	9,010	6,375
Derrett, Michelle	7,005	7,845
Georgeson, Sara	6,090	5,333
Heays, James	–	3,285
King, Lisa-Marie	5,625	930
Millar, Toni	7,500	5,910
Moorhouse, Leisa	6,150	750
Pua, William	2,745	1,890
Walker, Shayne (Board Chair)	9,763	9,443
Wepa, Dianne	7,230	6,953
	<b>61,118</b>	<b>48,713</b>

There have been no payments made to committee members appointed by the Board who are not Board members during the financial year.

The Board has effected Directors and Officers Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

No Board member received compensation or other benefits in relation to cessation. (2015 Nil)



### 13. EMPLOYEE REMUNERATION

	Number of Employees	
	2016	2015
Remuneration falling in the following bands	1	-
\$170,000 and \$179,999	-	1
\$140,000 and \$149,999	1	-
\$110,000 and \$119,999	-	1
\$100,000 and \$109,999	-	-

*During the year ended 30 June 2016 no employee received compensation and other benefits in relation to cessation (2015 \$24,033).*

### 14. EVENTS AFTER BALANCE SHEET DATE

There were no significant events after the balance sheet date.

### 15. EXPLANATION OF SIGNIFICANT VARIANCES AGAINST BUDGET

#### **Statement of Financial Performance**

##### **Application, registration, and practicing fees**

Applications for registration and competence assessment are outside the control of the Board and significantly exceeded that budgeted.

##### **Expense recoveries and other income**

Course accreditation fees and expense recoveries from accreditation and discipline hearings are determined by external organisations who are not able to be influenced by the Board.

##### **Employee-related costs**

Secretariat staff numbers increased to handle volume of applications for competence assessment and assist in specific projects including review of the Social Workers Registration Board Act, and deal with increased activity to ensure all those registered under the Act have a valid practising certificate.

##### **Board costs**

Board expenses exceeded budget as a result of the review of the SWRB Act being bought forward by the Minister for Social Development so that the review was aligned with review of Child, Youth and Family resulting in additional meetings, conference calls, and associated costs required for Board members to review and approve the draft review documents.

##### **Costs of providing services**

Additional costs of assessing complaints, competence, and conducting Tribunal hearings determined by factors outside the control of the Board.

##### **Administration and overhead costs**

Additional costs are below those incurred for other activities.

##### **Cash, cash equivalents, and investments**

Fees receipts for 2015-2016 year budgeted to be received after 30 June but received prior to that date.

**Accounts payable and accruals**

Increase resulting from additional GST content of fees received in advance.

**Fees in advance**

Fees received prior to year-end relating to the subsequent year were ahead of budgeted levels as a result of major employers choosing to pay for renewal of Annual Practising Certificates prior to 30 June 2016.





SOCIAL WORKERS  
REGISTRATION BOARD

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