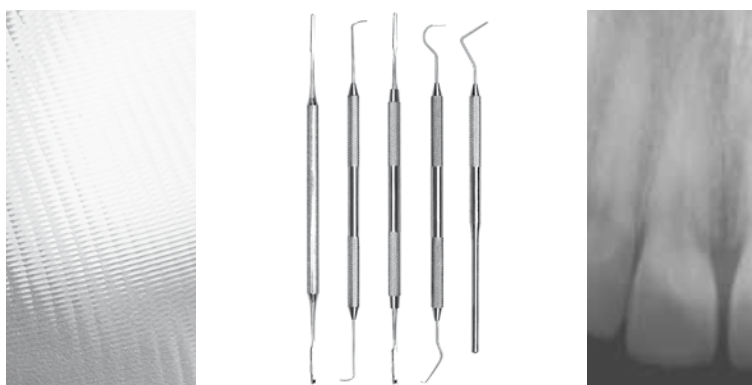


DENTAL COUNCIL OF NEW ZEALAND

Te Kaunihera Tiaki Niho o Aotearoa



2010 ANNUAL REPORT

- DENTISTRY • DENTAL HYGIENE • ORTHODONTIC AUXILLIARY
- DENTAL THERAPY • DENTAL TECHNOLOGY
- CLINICAL DENTAL TECHNOLOGY

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From the Chair



I am pleased to present this year's Annual Report, which reflects an intensive year of activity for Council ensuring application of the Act and working to its strategic plan.

In order to conform to the requirements of the Office of the Auditor General, the terms of reference of Council's Business

Assurance Committee (BAC) were reworked with the result that an Audit and Risk Management Committee (ARM) was established and the BAC was disestablished. The membership of ARM reflects its function, with representation of professional accountancy, commerce and audit skills including an independent external member.

One of Council's major projects undertaken by ARM was to review fees and costs to ensure that these fully reflect Council's role. As such, much work has been done on identifying cost drivers that will lead to ongoing efficiencies for Council and registrants. Additionally, an extensive risk assessment policy and process has been developed to identify both internal and external risks to the organisation and allows Council to rapidly recognise and act on risks. After consultation with stakeholders, Council approved ARM's recommendation to purchase an off-the-shelf IT system that will interface with Council's core activities as well as allowing registrants access to functions such as online recertification and recording CPD activities. The system will be rolled out during the next reporting period.

During the year, Council reviewed its registration and examination policies and processes and implemented changes to ensure that the time taken to register eligible practitioners occurs within Ministry guidelines and that examination requirements do not hinder candidate progression. Additionally, Council consulted on and subsequently

approved a revised continuing professional development (CPD) policy that aligned the general requirements of CPD across all professional groups but also reflected the specific requirements of a profession.

Over this period, Council's Dental Hygienist and Dental Therapist Professional Boards were successfully merged to a single combined Board, reflecting the commonality of the registration work undertaken for the professions. A review of the workflow for the Dental Technician Board was undertaken, with the result that most Board work is now undertaken by teleconference, allowing cost efficiencies. The Dentist Board continues to represent the highest load and complexity of Council's Board work: a number of competence reviews and individual recertification programmes were instigated over the period while ongoing work on two discipline-related cases stemming from the previous Dental Act 1988 continued during the period.

Council's international links remain strong, in particular, its working relationship with the Australian Dental Council and Australian State Regulatory Authorities. Council also instigated discussion with the recently formed Dental Board of Australia.

I would like to thank and congratulate the Council secretariat, Councillors and Board members for their dedicated work over the year.

A handwritten signature in black ink that reads "Robert M. Love".

Professor Robert M. Love
Chair

From the Chief Executive



This year can be described as one characterised by ongoing change as Council and the Secretariat focused on continuous improvement of all its activities and responsibilities.

Shortly before the commencement of the financial year, a new Secretariat structure was

introduced, which was largely staffed by new personnel. Whilst the implementation of the new structure required revised business processes and methodologies, new staff members brought fresh and innovative thinking to bear on their development. This led to the initiation of major policy revision and business process design projects in key areas, which have resulted in significant internal efficiencies being achieved.

With the introduction of new streamlined business processes for registration, key performance indicators were established to benchmark performance and to ensure ongoing best practice standards were maintained. This has placed us in good stead to meet the recent request of the Minister that all regulatory authorities provide quarterly reporting in key performance areas. Similarly, improvement in service delivery turnaround times were achieved in issuing Annual Practising Certificates (APCs). When the new team commenced, on average, the process was taking up to three weeks, whereas the most recent recertification round at the end of the financial year saw an average APC issue time of three work days from the receipt of a completed application form and payment.

The last year also saw the end of the CPD cycle for hygienists, therapists, orthodontic auxiliaries, dental technicians and clinical dental technicians. As was the case with the completion of the dentists' cycle at the end of 2008, a number of practitioners had not fulfilled their obligations, and significant Secretariat time was invested in assisting them to achieve compliance.

A key outcome from the new multi-disciplinary regulatory team structure, coupled with its strengthened corporate capability, has been the introduction of a quality assurance programme. During the year, a quality control process was established for the APC round in which 10% of all APCs processed per day were audited to ensure that applications were processed accurately and complied with DCNZ policy, that there was legislative compliance and that the correct fee had been charged. A similar quality assurance programme is to be implemented across all other registration activities in the coming year.

Relationship management with the various stakeholders, particularly professional associations, was a particular focus for Council and the Secretariat over the past year and I am pleased to report that this resulted in constructive dialogue and the strengthening of relationships with various groups.

In December 2009, Council approved the acquisition of a new fully integrated IT system to replace the existing financial package and proprietary Access database that has been in use since Council's inception. Significant Secretariat time has been invested in mapping existing business process and cleaning the database in preparation for the introduction of the new system in early 2011. The new system will bring online recertification and registration capabilities and result in significant economies for the Secretariat.

My thanks go to all Council and Board members, particularly Chair Professor Robert Love for his support and Deputy Chair Dr Erin Collins. I also wish to acknowledge and thank the staff of the Secretariat who have demonstrated a high level of commitment in what has been a challenging but rewarding year.

Marie Warner
Chief Executive

The Dental Council

Our Mission

To protect the health and safety of the public by ensuring oral health practitioners are competent and fit to practise.

Our Vision

To contribute positively to New Zealanders' oral health by exercising regulatory functions fairly and effectively.

Our Goals

- Implement the functions of the Health Practitioners Competence Assurance Act 2003 efficiently and effectively.
- Increase understanding of Council's role and secure a reputation that is well respected.
- Maintain an organisation that is sustainable and responsive.

Our Duties and Functions

The functions of the Dental Council under section 118 of the Health Practitioners Competence Assurance Act are:

- to prescribe the qualifications required for scopes of practice within the profession and, for that purpose, to accredit and monitor educational institutions and degrees, courses of studies or programmes
- to authorise the registration of health practitioners under the Act and to maintain registers
- to consider applications for annual practising certificates
- to review and promote the competence of health practitioners
- to recognise, accredit and set programmes to ensure the ongoing competence of health practitioners
- to receive and act on information from health practitioners, employers, and the Health and Disability Commissioner about the competence of health practitioners
- to notify employers, the Accident Compensation Corporation, the Director-General of Health and the Health and Disability Commissioner that the practice of a health practitioner may pose a risk of harm to the public
- to consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession
- to set standards of clinical competence, cultural competence and ethical conduct to be observed by health practitioners of the profession
- to liaise with other authorities appointed under the Act about matters of common interest
- to promote education and training in the profession
- to promote public awareness of the responsibilities of the authority
- to exercise and perform any other functions, powers and duties that are conferred or imposed on it by or under this Act or any other enactment.

Corporate Governance

The role of Council is to set the strategic direction of the organisation, monitor management performance and ensure Council meets the requirements of the Health Practitioners Competence Assurance Act 2003. Council members are appointed by the Ministry of Health.

COUNCIL MEMBERS

Members of the Dental Council as at 31 March 2010:

| | Profession | Appointment Date | Reappointment Date | Expiry Date |
|-----------------------------|-------------------|------------------|--------------------|-------------|
| Michael Bain | Dentist | July 2009 | | July 2012 |
| Helen Colebrook* | Layperson | March 2007 | | March 2010 |
| Erin Collins (Deputy Chair) | Dentist | December 2003 | March 2007 | March 2010 |
| Leslea Eilenberg | Dental Hygienist | July 2009 | | July 2012 |
| Mary Livingston | Dental Specialist | December 2003 | March 2007 | March 2010 |
| Robert Love (Chair) | Dental Specialist | December 2003 | March 2007 | March 2010 |
| Minnie McGibbon | Dental Therapist | July 2009 | | July 2012 |
| John Robertson | Layperson | December 2003 | March 2007 | March 2010 |
| Wendy Tozer | Layperson | July 2009 | | July 2012 |
| Neil Waddell | Dental Technician | April 2005 | April 2008 | April 2011 |

* resigned February 2010



Back row (from left): Michael Bain; Minnie McGibbon; Neil Waddell; John Robertson; Leslea Eilenberg; Wendy Tozer.
Front row (from left): Helen Colebrook; Robert Love (Chair); Erin Collins (Deputy Chair); Mary Livingston.

Corporate Governance

COUNCIL MEETINGS

| Date | Location |
|------------------|----------------|
| 25-26 May 2009 | Wellington |
| 7 September 2009 | Wellington |
| 3 November 2009 | Teleconference |
| 7 December 2009 | Wellington |
| 15 February 2010 | Wellington |

PROFESSIONAL BOARDS

DENTIST BOARD

| | Appointment Date | Reappointment Date | Expiry Date |
|-----------------------------|------------------|--------------------|---------------|
| Michael Bain | February 2010 | | July 2012 |
| Erin Collins (Chair) | December 2003 | May 2007 | March 2010 |
| Peter Dysart (Deputy Chair) | February 2008 | | February 2011 |
| John Hale | March 2008 | | March 2011 |
| Albert Kewene | December 2003 | May 2007 | March 2010 |
| Robert Love | December 2003 | May 2007 | March 2010 |
| John Robertson | December 2003 | May 2007 | March 2010 |

DENTAL HYGIENIST - DENTAL THERAPIST BOARD

| | Appointment Date | Reappointment Date | Expiry Date |
|--------------------------------|------------------|--------------------|-------------|
| Tanya Cleland | May 2009 | | May 2011 |
| Helen Colebrook | March 2007 | May 2009 | May 2012 |
| Barbara Dewson (Chair) | May 2009 | | May 2011 |
| Leslea Eilenberg | February 2010 | | July 2012 |
| Kirsty Jennings (Deputy Chair) | May 2009 | | May 2012 |
| Minnie McGibbon | February 2010 | | July 2012 |
| Susan Moffat | May 2009 | | May 2012 |
| Wendy Tozer | February 2010 | | July 2012 |
| Sharmyn Turner | May 2009 | | May 2010 |

DENTAL TECHNICIANS BOARD

| | Appointment Date | Reappointment Date | Expiry Date |
|---------------------------|------------------|--------------------|--------------|
| Phyllis Huitema | December 2003 | May 2007 | March 2010 |
| Byron Lord | April 2009 | | April 2010 |
| Karl Lyons (Deputy Chair) | January 2006 | January 2009 | January 2012 |
| Daniel O'Sullivan | December 2003 | May 2007 | March 2010 |
| Neil Waddell (Chair) | April 2005 | April 2008 | April 2011 |
| Michael Williams | September 2007 | | August 2010 |

PROFESSIONAL COMMITTEES**BUSINESS ASSURANCE COMMITTEE (DISBANDED DECEMBER 2009)**

Ed Alcock (Chair, retired May 2009)

John Robertson (Chair, May–December 2009)

Robert Love

Byron Lord

Leslea Eilenberg

AUDIT AND RISK MANAGEMENT COMMITTEE (ESTABLISHED DECEMBER 2009)

John Robertson (Chair)

Robert Love

Brent Kennerley (Independent Member, Grant Thornton Chartered Accountants)

Neil Waddell

CEO REMUNERATION AND PERFORMANCE MANAGEMENT COMMITTEE

Robert Love (Chair)

Erin Collins

Ed Alcock (retired May 2009)

John Robertson (from May 2009)

Corporate Governance

DISCIPLINARY TRIBUNAL HEALTH PRACTITIONERS

The Ministry of Health maintains a panel of practitioners from which members of the tribunal are drawn. As at 31 March 2010 membership of the panel, which is appointed by the Minister of Health, was:

| Dentists | Dental Therapists | Dental Hygienists | Dental Technicians |
|-------------------|---------------------|----------------------|--------------------|
| Dr Philip Coote | Mrs Pamela Brennan | Mrs Else Denne | Mr Kenneth Lock |
| Dr Robert East | Ms Claire Caddie | Mrs Susan Morris | Mr Kenneth Scott |
| Dr Marion Joyce | Ms Heather Krutz | Ms Mary Mowbray | |
| Dr Cathrine Lloyd | Ms Lynette Nicholas | Ms Kirsten Wade-Egan | |
| Dr Paopio Luteru | Ms Ruth O'Rourke | | |
| Dr Warwick Ross | | | |
| Dr Sergio Salis | | | |
| Dr Hugh Trengrove | | | |

JOINT AUSTRALIAN DENTAL COUNCIL, DENTAL COUNCIL OF NEW ZEALAND ACCREDITATION COMMITTEE

Professor Paul Abbott

Dr Michael Bain*

Associate Professor Deborah Cockrell (Coordinator, Postgraduate)

Ms Jan Connolly

Professor Michael Morgan (Coordinator, Undergraduate Dental)

Dr Mark Goodhew*

Dr Neil Hewson

Ms Kirsty Jennings*

Professor Robert Love* – ex officio (Chair DCNZ)

Ms Clare McNally

Professor Ward Massey

Dr Susan Gaffney – ex officio (President ADC)

Ms Leonie Short (Coordinator, Undergraduate (Oral Health))

Dr Bruce Simmons

Ms Neroli Stayt

Mr Rowan D Story (Chair)

* DCNZ representatives

SECRETARIAT**STAFF MEMBERS OF THE DENTAL COUNCIL AS AT 31 MARCH 2010:**

| | |
|--|--------------|
| Chief Executive | Marie Warner |
| Registrar | Mark Rodgers |
| Senior Business Development Advisor | Nicola Young |
| Executive Assistant to Chief Executive/Board Secretary | Wendy Bunny |

DENTISTS TEAM

| | |
|-----------------------------|------------------|
| Deputy Registrar (Dentists) | Carolyn Young |
| Senior Registration Officer | Debbie North |
| Senior Registration Officer | Margaret Needham |
| Registration Officer | Kelly Douglas |

HYGIENISTS, THERAPISTS, TECHNICIANS TEAM

| | |
|--|----------------|
| Deputy Registrar (Hygienists, Therapists, Technicians) | Yasmin Renders |
| Intermediate Registration Officer | Stella Moon |
| Junior Registration Officer | Vacant |

CORPORATE SERVICES TEAM

| | |
|--|-----------------|
| Corporate Services Manager | Kevin Simmonds |
| Finance Officer | Kim Hopkinson |
| Human Resources and Administration Officer | Michelle Cornel |

PROFESSIONAL ADVISORS

| | |
|----------------------|---|
| Professional Advisor | Dexter Bambery (BDS Otago, FDS RCS Eng, FRACDS, Dip Clin Dent – Restorative) |
| Professional Advisor | Marijke van der Leij Conway (CertDentTher MOH, DipAdvDentNurs MOH, Dent Rad MOH Approved Experience) |

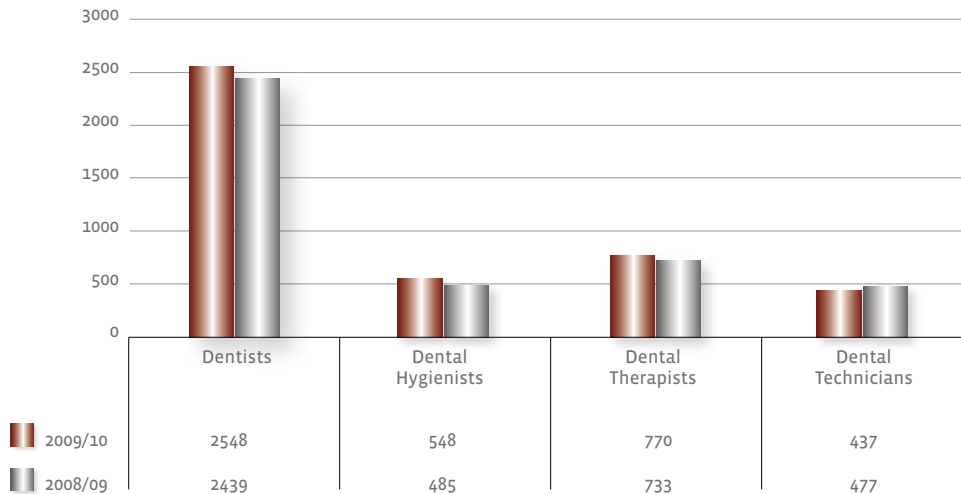
Registration

Registration of oral health practitioners is a primary function of the Dental Council. By ensuring that all oral health practitioners who are registered meet the standard required for safe and competent practise, Council is meeting its role of protecting the public.

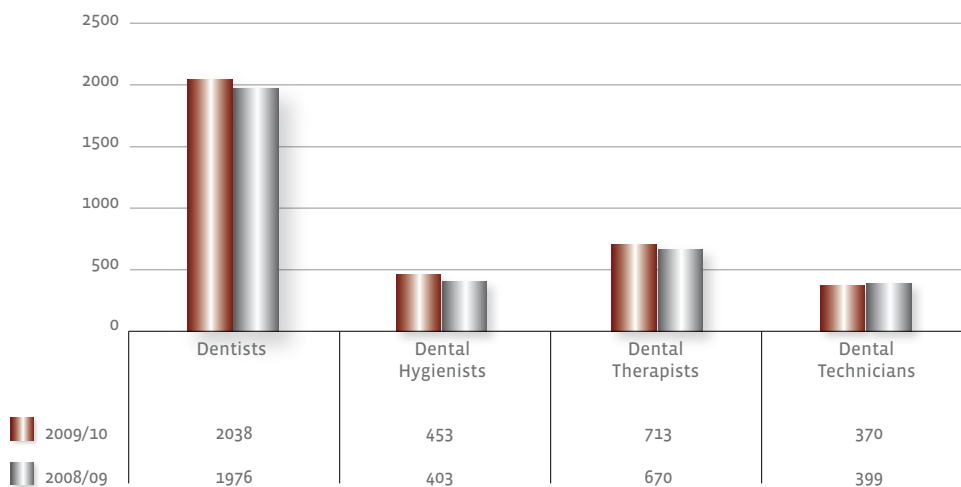
REGISTRATION STATISTICS

A total of 3,574 oral health practitioners were registered as practising with the Dental Council at 31 March 2010. This is a 3.65% increase from the 2008/2009 practising year.

TOTAL NUMBER OF REGISTERED ORAL HEALTH PRACTITIONERS AS AT 31 MARCH 2010



TOTAL NUMBER OF ORAL HEALTH PRACTITIONERS PRACTISING WITH AN ANNUAL PRACTISING CERTIFICATE AS AT 31 MARCH 2010



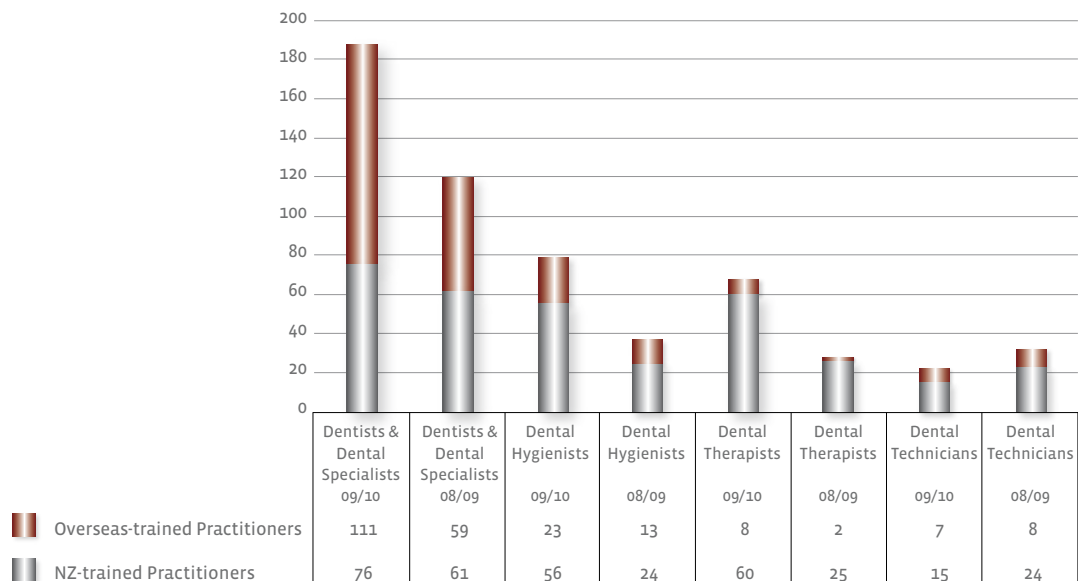
TOTAL REGISTRATIONS BY SCOPE OF PRACTICE

| | 2009/10 | 2008/09 |
|--|---------|---------|
| General Dental Practice | 2,452 | 2,342 |
| Orthodontic Specialist | 102 | 98 |
| Endodontic Specialist | 30 | 27 |
| Oral and Maxillofacial Surgery Specialist | 47 | 46 |
| Oral Medicine Specialist | 3 | 3 |
| Oral Pathology Specialist | 6 | 6 |
| Oral Surgery Specialist | 6 | 5 |
| Pediatric Specialist | 12 | 13 |
| Periodontic Specialist | 36 | 36 |
| Prosthodontic Specialist | 25 | 22 |
| Restorative Dentistry Specialist | 12 | 14 |
| Public Health Dentistry Specialist | 17 | 17 |
| Special Needs Dentistry Specialist | 8 | 8 |
| Dental Hygiene Practice | 447 | 374 |
| Orthodontic Procedures in Dental Hygiene Practice | 144 | 135 |
| Extra Oral Radiography in Dental Hygiene Practice | 56 | 49 |
| Intra Oral Radiography in Dental Hygiene Practice | 317 | 253 |
| Local Anaesthetic in Dental Hygiene Practice | 256 | 172 |
| Dental Auxiliary Practice | 0 | 39 |
| Extra Oral Radiography in Dental Auxiliary Practice | 0 | 2 |
| Intra Oral Radiography in Dental Auxiliary Practice | 4 | 6 |
| Orthodontic Auxiliary Practice | 112 | 111 |
| Extra Oral Radiography in Orthodontic Auxiliary Practice | 38 | 40 |
| Intra Oral Radiography in Orthodontic Auxiliary Practice | 32 | 34 |
| General Dental Therapy Practice | 771 | 732 |
| Adult Care in Dental Therapy Practice | 15 | 15 |
| Radiography in Dental Therapy Practice | 54 | 52 |
| Diagnostic Radiography in Dental Therapy Practice | 665 | 579 |
| Pulpotomies in Dental Therapy Practice | 348 | 286 |
| Stainless Steel Crowns in Dental Therapy Practice | 252 | 172 |
| Dental Technology Practice | 437 | 477 |
| Clinical Dental Technology Practice | 173 | 179 |
| Implant Overdentures in Clinical Dental Technology | 18 | 18 |

Registration

ADDITIONS TO THE REGISTER

SUMMARY OF REGISTRATIONS GRANTED



SUMMARY OF DENTIST & DENTAL SPECIALISTS REGISTRATIONS GRANTED – COUNTRY OF FIRST QUALIFICATION

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 | 2005/06 |
|------------|---------|---------|---------|---------|---------|
| Argentina | 1 | 1 | 2 | | 1 |
| Australia | 7 | 4 | 8 | 8 | 9 |
| Bangladesh | | | 1 | | |
| Brazil | 1 | | 1 | 2 | 2 |
| Bulgaria | | 1 | | | |
| Canada | 1 | | 2 | | 1 |
| Chile | | | 1 | | |
| China | 1 | 1 | 1 | | |
| Colombia | | | | 1 | |

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 | 2005/06 |
|--------------------------|------------|------------|------------|------------|------------|
| Egypt | | 1 | 1 | 3 | 1 |
| Fiji | 1 | | 1 | | |
| France | | | | 1 | |
| Germany | 5 | 1 | 2 | 1 | 1 |
| Hong Kong | | 1 | 1 | 1 | |
| India | 30 | 12 | 18 | 17 | 12 |
| Indonesia | 1 | | 1 | | |
| Iran | 1 | | | | |
| Iraq | 2 | 3 | 4 | 4 | 5 |
| Ireland | 2 | 1 | | 1 | 1 |
| Israel | | | | | 1 |
| Jordan | 2 | | 1 | | |
| Korea | 1 | | | | |
| Latvia | 1 | | | | |
| Macedonia | | | 1 | | |
| Malaysia | | 1 | 1 | | |
| Netherlands | | 1 | 1 | 1 | |
| Pakistan | | | | 1 | |
| Philippines | | | 1 | 3 | 1 |
| Poland | | | | 1 | |
| Puerto Rico | | 1 | | | |
| Romania | | | 2 | 1 | 4 |
| Russia | 1 | | 1 | 2 | |
| Serbia | | | | 1 | |
| Singapore | 1 | | 1 | | 1 |
| South Africa | 17 | 13 | 7 | 4 | 8 |
| Sri Lanka | | 1 | 1 | 2 | |
| Sweden | | | 1 | | |
| Syria | | | | 1 | |
| Thailand | | | 1 | | |
| Ukraine | | | 1 | | |
| United Kingdom | 22 | 10 | 13 | 19 | 23 |
| USA | 13 | 6 | 2 | 4 | 7 |
| Yugoslavia | | | 1 | | |
| Total Overseas | 111 | 59 | 80 | 79 | 78 |
| Total New Zealand | 76 | 61 | 65 | 62 | 64 |
| TOTAL | 187 | 120 | 145 | 141 | 142 |

Registration

SUMMARY OF DENTAL HYGIENE REGISTRATIONS GRANTED – COUNTRY OF FIRST QUALIFICATION

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 | 2005/06 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Australia | | | | 1 | 1 |
| Brazil | | 1 | | | |
| Canada | 7 | 4 | 3 | 2 | 5 |
| China | 1 | | | | |
| Egypt | | | 1 | | |
| Fiji | | | 1 | | |
| India | | | | | 1 |
| Ireland | | | | | 1 |
| Israel | | | | 1 | |
| Mexico | 1 | | | | |
| Netherlands | | | | 2 | |
| Philippines | 1 | 1 | 2 | | 2 |
| Romania | | | | 1 | |
| Russia | 1 | | | | |
| Samoa | 1 | | | | |
| South Africa | 1 | 2 | 3 | 3 | |
| Sweden | | | | | 1 |
| United Kingdom | 7 | 2 | 7 | 5 | 5 |
| USA | 3 | 3 | | 4 | 3 |
| Total Overseas | 23 | 13 | 17 | 19 | 19 |
| Total New Zealand | 56 | 24 | 20 | 20 | 34 |
| TOTAL | 79 | 37 | 37 | 39 | 53 |

SUMMARY OF DENTAL THERAPY REGISTRATIONS GRANTED – COUNTRY OF FIRST QUALIFICATION

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 | 2005/06 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Canada | | | | 1 | |
| China | 1 | | | | |
| Fiji | 3 | 2 | 1 | 1 | |
| India | 1 | | 1 | 2 | 1 |
| Malaysia | | | 1 | | |
| Philippines | | | 1 | 1 | |
| Russia | 1 | | | | |
| Samoa | 1 | | | | |
| South Africa | 1 | | | | |
| Syria | | | | 1 | |
| United Kingdom | | | | 1 | 1 |
| Total Overseas | 8 | 2 | 4 | 7 | 2 |
| Total New Zealand | 60 | 25 | 41 | 38 | 39 |
| TOTAL | 68 | 27 | 45 | 45 | 41 |

**SUMMARY OF DENTAL TECHNICIAN REGISTRATIONS GRANTED
– COUNTRY OF FIRST QUALIFICATION**

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 | 2005/06 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|
| Australia | 1 | | 1 | 4 | |
| China | | | 2 | | |
| Fiji | 1 | | 1 | | |
| Germany | 3 | 2 | 11 | 10 | |
| Hong Kong | 1 | | | | |
| Hungary | | | 1 | | 1 |
| Iran | | | 1 | | |
| Iraq | | | | 1 | |
| Italy | | | 1 | | |
| Japan | | 2 | 9 | 4 | |
| Kazakhstan | | | 1 | | |
| Korea | | | 1 | 2 | |
| Peru | | | 1 | | |
| Romania | | | 5 | | |
| Serbia | | | 1 | | |
| Singapore | | | 3 | 3 | |
| South Africa | | 4 | | | |
| Ukraine | | | | 2 | |
| United Kingdom | 1 | | 4 | 1 | |
| USA | | | | 1 | |
| Total Overseas | 7 | 8 | 43 | 28 | 1 |
| Total New Zealand | 15 | 24 | 17 | 12 | 9 |
| TOTAL | 22 | 32 | 60 | 40 | 10 |

Registration through Trans-Tasman Mutual Recognition Act

The Trans-Tasman Mutual Recognition Act 1997 (TTMRA) recognises Australian and New Zealand registration standards as equivalent and enhances the freedom of registered professionals to work in either country. TTMRA has precedence over the Health Practitioners Competence Assurance Act 2003. Under TTMRA if a practitioner is registered as an oral health practitioner in a participating jurisdiction in Australia, subject to a limited right of refusal, after applying to the Dental Council, they are entitled to be registered in the same occupation in New Zealand. In 2009/10, 15 practitioners registered in New Zealand under the TTMRA.

| | Applications Received | Applications Approved |
|-------------------|-----------------------|-----------------------|
| Dentistry | 11 | 11 |
| Dental Hygiene | 0 | 0 |
| Dental Therapy | 2 | 2 |
| Dental Technology | 2 | 2 |
| TOTAL | 15 | 15 |

Registration

Individual Assessment Applications

Applicants with non-prescribed qualifications who consider their qualifications, training and experience to be equivalent to or as satisfactory as a prescribed qualification can apply to the Dental Council for individual consideration and registration.

In the 2009/10 period, the Dental Council received a total of 21 individual assessment applications. This is a decrease of 14 applications from the 2008/09 year.

| | 2009/10 | | 2008/09 | | 2007/08 | |
|---------------------------------|-----------|-----------|-----------|----------|-----------|-----------|
| | Received | Approved | Received | Approved | Received | Approved |
| Dentists and Dental Specialists | 5 | 5* | 9 | 1 | 15 | 1 |
| Dental Hygiene | 7 | 4 | 6 | 3 | 10 | 3 |
| Dental Therapy | 6 | 2 | 6 | 0 | 13 | 0 |
| Dental Technology | 3 | 2 | 14 | 5 | 38 | 22 |
| TOTAL | 21 | 13 | 35 | 9 | 76 | 26 |

* Two of these approvals came from applications that were received prior to this financial year but were assessed and approved during this financial period.

REMOVALS FROM THE REGISTER

A total of 160 oral health practitioners were removed from the Register during the 2009/10 period of which 80% were voluntarily removed from the Dental Register under section 142 of the Act, and the other 20% were removed as a result of failure to notify Council of his or her last known address under section 144 (4) of the Act.

| | 2009/10 | 2008/09 |
|--------------------|------------|------------|
| Dentists | 65 | 161 |
| Dental Hygienists | 14 | 17 |
| Dental Therapists | 24 | 19 |
| Dental Technicians | 57 | 15 |
| TOTAL | 160 | 212 |

Examinations

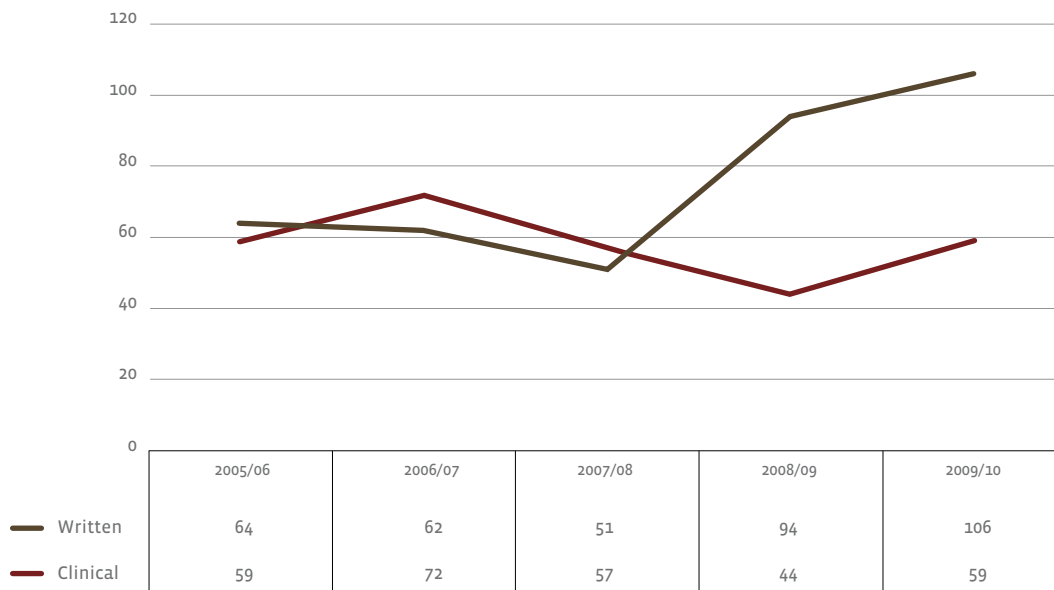
The Dental Council offers examinations for overseas-qualified practitioners who do not hold prescribed dental qualifications. A pass in the Dental Council of New Zealand Registration Examination is a prescribed qualification for registration within New Zealand.

The following examinations are available:

- New Zealand Dentist Registration Examination (NZDREX) – written and clinical.
- New Zealand Dentist Specialist Registration Examination.
- New Zealand Dental Hygienist Registration Examination (NZDHREX) – written and clinical.
- New Zealand Dental Therapist Registration Examination (NZDTREX) – written and clinical.
- New Zealand Dental Technician Registration Examination (NZDTechREX) written and clinical.

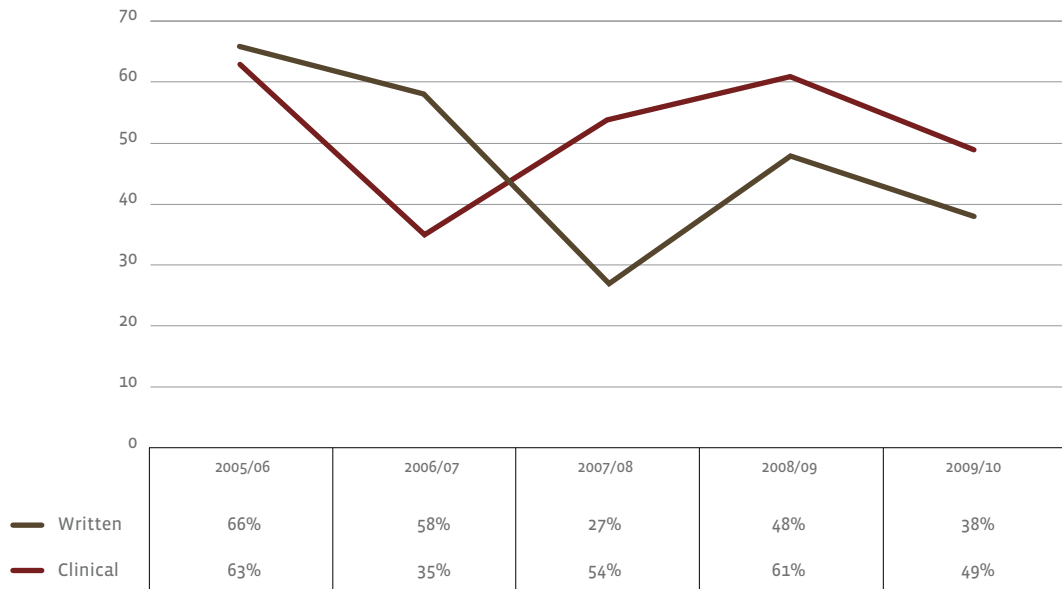
During the 2009/10 year, registration examinations for dentistry (NZDREX) were staged. The registration examinations in dental hygiene, dental therapy and dental technology were not held due to insufficient candidate numbers.

DENTIST REGISTRATION EXAMINATION ENROLMENT NUMBERS



Examinations

DENTIST REGISTRATION EXAMINATION PASS RATES



REMOVAL OF THE NEW ZEALAND CONDITIONS OF PRACTICE EXAMINATION

Following consultation, in December 2009, Council removed the requirement for candidates to complete the New Zealand Conditions of Practice (NZCOP) examination. Instead, prospective overseas registrants are required to read the NZCOP handbook and complete a statutory declaration. The handbook is available as an online resource for all practitioners.

Accreditation

Accreditation is the status granted by the Dental Council to education and training programmes in dentistry and oral health (dental therapy and dental hygiene), dental technology and clinical dental technology that meet stated criteria of educational quality. The purpose of accreditation is both to assure the quality of education and training and to promote continuous improvement of quality to respond to evolving community needs and professional practice.

The Dental Council of New Zealand (DCNZ) and Australian Dental Council (ADC) have established a joint ADC/DCNZ Accreditation Committee for the purpose of accrediting and monitoring educational programmes so as to have a common standard over both countries. The role of the Accreditation Committee is to advise the Australian Dental Council and the New Zealand Dental Council on accreditation matters, including criteria for the accreditation of educational programmes leading to registration as a dentist, dental specialist, dental hygienist, dental therapist and/or oral health therapist (currently in Australia only).

The ADC/DCNZ accreditation process undergoes regular evaluation and modification based on previous experience, written feedback from participants (including assessors and schools) and periodic formal review with external assistance.

As part of the accreditation process, the ADC and DCNZ require an annual report from each school for each accredited programme. Details of any significant changes, planned or unplanned, must be provided at that time. It is the responsibility of schools to notify the Accreditation Committee in their annual reports of any planned significant changes to the programmes before they are implemented. It is expected that relevant recommendations and suggestions made at previous accreditation visits will also be addressed and documented in the annual report. Annual reports are formally reviewed by the Chair of the most recent Accreditation Review Team, the relevant Coordinator on the Accreditation Committee and then the Accreditation Committee, following which recommendations are made to the ADC or DCNZ regarding the continuation of the accreditation status of the programme. This year, all of the New Zealand schools' annual reports were received and were in turn accepted by the ADC/DCNZ Accreditation Committee and the Dental Council.

Accreditation

ACCREDITATION STATUS OF NEW ZEALAND ORAL HEALTH PROGRAMMES AS AT 31 MARCH 2010

| Title | Provider | Status | Expiry date |
|---|--|---|-------------|
| Bachelor of Dental Surgery (BDS) | University of Otago | Full accreditation for 7 years (in 2003) | 31/12/2010 |
| Doctor of Clinical Dentistry (DClinDent) | University of Otago | Full accreditation for 5 years (in 2006) | 31/12/2011 |
| Master of Community Dentistry (MComDent) | University of Otago | Full accreditation for 5 years (in 2006) | 31/12/2011 |
| MDS/MBChB Oral and Maxillofacial Surgery | University of Otago | Full accreditation for 6 years (in 2006) | 31/12/2012 |
| Bachelor of Oral Health (BOH) | University of Otago | New programme accreditation with conditions for 3 years (in 2006) | 31/12/2009 |
| Bachelor of Health Science in Oral Health BHSc (Oral Health) | Auckland University of Technology | Full programme accreditation for 5 years from 01/01/2009 | 31/12/2013 |
| Bachelor of Dental Technology (BDentTech) | University of Otago | Full accreditation for 5 years (in 2005) | 31/12/2010 |
| Bachelor of Dental Technology (Honours) (BDentTech (Hons)) | University of Otago | Full accreditation with conditions for 5 years (in 2005) | 31/12/2010 |
| Postgraduate Diploma in Clinical Dental Technology (PGDipCDTech) | University of Otago | Full accreditation with conditions for 5 years (in 2005) | 31/12/2010 |
| New Zealand Association of Orthodontists Orthodontic Auxiliary Training Programme: Certificate of Orthodontic Assisting | New Zealand Association of Orthodontists | New programme accreditation with conditions for 1 year (in 2010) | 31/03/2011 |

In February 2010, the Dental Council awarded the New Zealand Association of Orthodontists Orthodontic Auxiliary Training Programme: Certificate of Orthodontic Assisting new programme accreditation (with conditions) for 1 year. The objectives of this programme are to provide candidates with theoretical knowledge and practical skills to work as a registered orthodontic auxiliary.

Recertification

The Dental Council's recertification cycle involves:

- continuing professional development including regular peer contact with the specific objectives of professional development
- annual declaration of compliance with professional standards
- annual declaration of fitness to practise.

Council's continuing professional development (CPD) programme is a statutory recertification programme established under section 41 of the Act. The CPD cycle for dental hygienists, orthodontic auxiliaries, dental therapists, dental technicians and clinical dental technicians came to an end on 31 December 2009, and 10% from each practitioner group were randomly selected for an audit of their CPD activities.

Dental practitioners who have not complied with their CPD requirements have been issued with an Annual Practising Certificate (APC) of short duration with the condition that they complete their outstanding CPD obligations by 30 June 2010. Those who do not comply with this condition are likely to have their registration suspended. The same process will be followed for dental hygienists, orthodontic auxiliaries, dental therapists, dental technicians and clinical dental technicians.

Audit Process

Following the issue of the 2009/10 Annual Practising Certificate application form, 10% of all practitioners from each practitioner group were randomly selected to complete a checklist questionnaire based on Council's codes of practice and professional standards. Within this selection, New Zealand-based practitioners from each practitioner group were randomly selected for a practice visit to audit their compliance with Council's codes of practice and professional standards. The practitioners selected worked in a variety of settings, including solo city practices, smaller group dental practices and school dental clinics.

Recommendations made to practitioners during the practice visits included:

- ensuring that the emergency drug kit was reviewed and kept up to date with reference to the code
- anything that came into contact with mucous membranes, saliva or blood was to be sterilised or be of single use
- storage of dental materials was to be in a separate refrigerator away from food and drink.

Professional Standards

COMPETENCE

The Dental Council has two key professional standards objectives. The first is to ensure the continuing competence of oral health practitioners throughout their practising career through engaging in CPD activities and meeting defined professional standards. The second is to manage practitioners whose competence has been called into question in a way that assists the practitioner to upskill while, at the same time, ensuring public safety.

COMPETENCE ASSESSMENT AND EDUCATIONAL PROGRAMMES

The competence provisions of the Health Practitioners Competence Assurance Act 2003 allow the competence of a practitioner to be reviewed at any time, whether or not there is reason to believe the practitioner's competence may be deficient or whether or not a complaint has been received. Council has determined that competence reviews will be instituted only in response to concerns raising issues of public safety.

COMPETENCE REVIEWS

In considering whether to undertake a competence review, Council considers that the following factors increase the probability of underlying competence deficit and are likely, in combination or on their own, to lead to a competence review:

- A pattern of poor standards of care or competence – several instances over a sustained period or a significant event.
- The magnitude of the mistakes, including the size of the suspected deficit and the possible degree of serious departure from normal safe and accepted standards of practice.

A competence review is undertaken to determine whether a practitioner is practising to the required standard. It is not a disciplinary process; rather, it is a means of identifying and addressing shortcomings that is undertaken by the practitioner's peers and a layperson and is designed to be supportive and educative. This year, two competence reviews were undertaken.

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|---|---------|---------|---------|---------|
| New Competence Reviews | 2 | 2 | 0 | 0 |
| Existing Practitioners in Competence Review | 1 | 0 | 0 | 3 |
| Practitioners Leaving Competence Review | -1 | -1 | 0 | -3 |
| Practitioners in Competence Review | 2 | 1 | 0 | 0 |

COMPETENCE REVIEWS UNDERTAKEN, BY PROFESSION

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|-------------------|---------|---------|---------|---------|
| Dentist | 3 | 2 | 0 | 3 |
| Dental Hygienist | 0 | 0 | 0 | 0 |
| Dental Therapist | 0 | 0 | 0 | 0 |
| Dental Technician | 0 | 0 | 0 | 0 |
| Total | 3 | 2 | 0 | 3 |

INDIVIDUAL RECERTIFICATION PROGRAMMES

Individual recertification programmes (IRPs) are specifically designed to ensure practitioners are competent to practise within their scope of practice. These IRPs are normally implemented after receiving a notification, complaint or concern by an institution or professional on their competency. Over this period, seven new IRPs were established while seven practitioners completed their IRPs.

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|---------------------------------|---------|---------|---------|---------|
| New Individual Programmes | 7 | 5 | 0 | 4 |
| Existing Programme | 5 | 1 | 5 | 2 |
| Practitioners Leaving Programme | -7 | -1 | -4 | -1 |
| Practitioners in Programme | 5 | 5 | 1 | 5 |

INDIVIDUAL RECERTIFICATION PROGRAMMES, BY PROFESSION

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|--------------------|---------|---------|---------|---------|
| Dentists | 11 | 5 | 5 | 6 |
| Dental Hygienists | 0 | 0 | 0 | 0 |
| Dental Therapists | 0 | 0 | 0 | 0 |
| Dental Technicians | 1 | 1 | 0 | 0 |
| Total | 12 | 6 | 5 | 6 |

CODES OF PRACTICE AND PRACTICE STATEMENTS

Section 118(i) of the Health Practitioners Competence Assurance Act 2003 charges Council with the responsibility for setting the standards of clinical competence, cultural competence and ethical conduct to be observed by oral health practitioners.

Following consultation with stakeholders, the Dental Council has approved a revised code of practice on the working relationship between orthodontic auxiliaries and dentists. The aim of the code is to describe the general functions and levels of supervision required by orthodontic auxiliaries and assist practitioners to understand the requirements of orthodontic auxiliary practice.

HEALTH

The Dental Council works to ensure that the public are protected, by managing oral health practitioners whose fitness to practise has been called into question because of a medical or physical condition.

As with the general population, oral health practitioners can suffer from a range of afflictions and conditions that may impair their ability to practise.

The professional boards monitor health-impaired practitioners and implement measures to protect the public. In all cases, Council consults with relevant medical practitioners, who act in an independent advisory capacity. Cases are handled in a compassionate and non-judgmental way, with the emphasis being on a swift return to safe practice. Council has developed very sound programmes, with good rehabilitation rates.

A rehabilitation programme for an impaired practitioner may include limiting the practitioner's practice to certain procedures, requiring the practitioner to work under supervision, carrying out laboratory tests and/or medical reports, participating in support groups and working with a mentor.

Professional Standards

During 2009/10, two health-impaired practitioner were brought to the attention of Council, making a total of eight practitioners being monitored under the health portfolio.

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|--|---------|---------|---------|---------|
| New Health Considerations | 2 | 1 | 5 | 3 |
| Existing Practitioners in Health Portfolio | 10 | 9 | 5 | 3 |
| Practitioners Leaving Health Portfolio | -4 | 0 | -1 | -1 |
| Practitioners in Health Portfolio | 8 | 10 | 9 | 5 |

COMPLAINTS AND DISCIPLINE

In conjunction with the Health and Disability Commissioner and the Health Practitioners Disciplinary Tribunal, the Dental Council seeks to ensure that the public and health practitioners have access to a fair and responsive complaints and discipline system.

COMPLAINTS, NOTIFICATIONS AND CONCERNS BY PROFESSION

During the reporting period, a total of 21 formal complaints were received concerning dentists. No formal complaints were received relating to any of the other oral health professions during this reporting year.

SUPERVISION

This year, one new practitioner entered the supervision programme, and we continued to monitor one practitioner from the previous financial year. One practitioner underwent clinical supervision in their practice with regular monthly progress reports provided to Council. The second practitioner sends copies of notes and radiographs to their supervisor who, in turn, has been able to offer support and guidance to the practitioner to ensure public safety.

One practitioner was released from the supervision programme. Their release was granted by the Professional Board based on the fulfilment of their supervision period and sign-off from their supervisor. The details of their supervision included clinical supervision at their practice together with regular monthly reports provided to Council.

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|-----------------------------------|---------|---------|---------|---------|
| New Supervision Cases | 3 | 1 | 2 | 1 |
| Existing Supervision | 1 | 5 | 3 | 4 |
| Practitioners Leaving Supervision | -2 | -5 | 0 | -2 |
| Practitioners in Supervision | 2 | 1 | 5 | 3 |

SUPERVISION BY PROFESSION

| | 2009/10 | 2008/09 | 2007/08 | 2006/07 |
|-------------------|---------|---------|---------|---------|
| Dentist | 4 | 5 | 4 | 4 |
| Dental Hygienist | 0 | 0 | 0 | 0 |
| Dental Therapist | 0 | 0 | 0 | 0 |
| Dental Technician | 0 | 1 | 1 | 1 |
| Total | 4 | 6 | 5 | 5 |

Workforce Analysis 2008/09

THE DENTIST WORKFORCE

As in previous years, there was an increase in the active dental workforce. A total of 1,867 dentists were included in the workforce analysis, up from 1,779 the year before.

The proportion of female dentists in the workforce continues to rise (31.4% in 2008 compared to 29.9% in 2007) as does the representation of ethnic minority groups. New Zealand Europeans (54.7%) remain the largest ethnic group within the workforce, followed by dentists of Chinese origin (10.3%). The rise in the proportion of overseas graduates has continued – one in four dentists completed their primary dental qualification outside New Zealand.

Nearly 40% of dentists work part-time (defined as less than 35 hours per week), and a marked gender difference exists between male and female dentists in the proportion undertaking part-time work – female dentists are nearly twice as likely to be working part-time than males.

Three in four dentists are self-employed in private practice, and the dentist:population ratios continue to vary with particular concern in the Counties-Manukau and Lakes DHBs, with ratios of 16:100,000 and 17:100,000, respectively.

THE DENTAL THERAPIST WORKFORCE

A total of 682 dental therapists were listed on the DCNZ Register, and 648 held a current APC (down from 673 the previous year). The socio-demographic characteristics continue to reflect an older age group of New Zealand European women.

The proportion of therapists working full-time is 69.0%, with almost all working in the District Health Board sector.

There appears to be a variation in the therapist:population ratio by area – it remains highest in Northland and the Bay of Plenty and lowest in the Greater Wellington region and South Canterbury.

THE DENTAL HYGIENIST WORKFORCE

The active hygiene workforce comprised 371 individuals (down from 390 the previous year). Like the dental therapist workforce, dental hygiene reflects a predominantly female group, but the average age in the hygienist group was younger than that of the therapist group, and the majority work in private practice.

DENTAL TECHNICIAN WORKFORCE

There were 345 active dental technicians (up by 7 from 2006) of whom 45% were clinical dental technicians.

The proportion of females was relatively low among the clinical dental technicians, at around 12%, and approximately 28% for other dental technicians. Just over half of clinical dental technicians were aged 50 and over, compared to 24% for other dental technicians. Overall, 54% of the dental technology group was New Zealand Europeans – the lowest proportion for all the dental professions.

The majority of technicians worked in full-time practice (89%), and most was self-employed.

Financial Overview

The Dental Council received an unqualified opinion on the 2009/10 Financial Statements.

In the 2009/10 financial year, Council planned for an operating budget deficit of \$242,626 in line with the strategic objective to reduce the level of reserves. Council is pleased to report the financial year ended with a deficit of \$224,863. The small decrease in the actual deficit position reflects the net impact of the following significant variances:

- Lower than forecast interest income due to the effects of the global financial crisis on interest rates.
- Higher than budgeted dentist disciplinary expenditure due to a costly discipline case.

This was offset by:

- Lower than forecast personnel costs mainly due to operating below the budgeted staff ceiling in 2009/10.
- Overall savings in Professional Board net expenditure after revenue.

ANNUAL PRACTISING CERTIFICATE FEES AND REVENUE

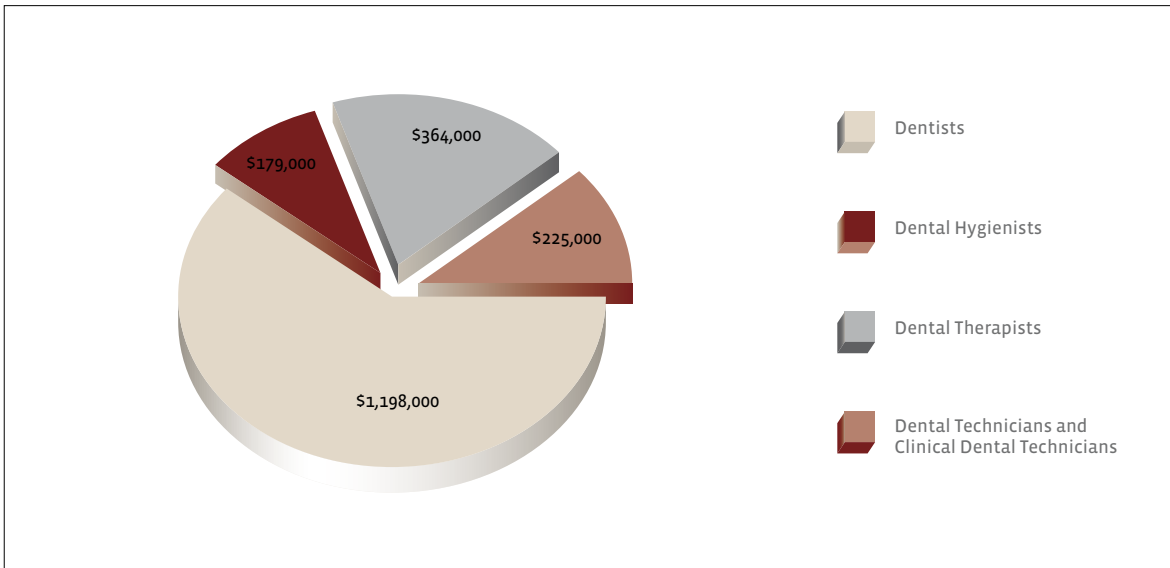
The Annual Practising Certificate fee is set to fund planned and budgeted operations, competency and disciplinary cases and to maintain adequate reserves.

ANNUAL PRACTISING CERTIFICATE FEES (GST INCLUSIVE)

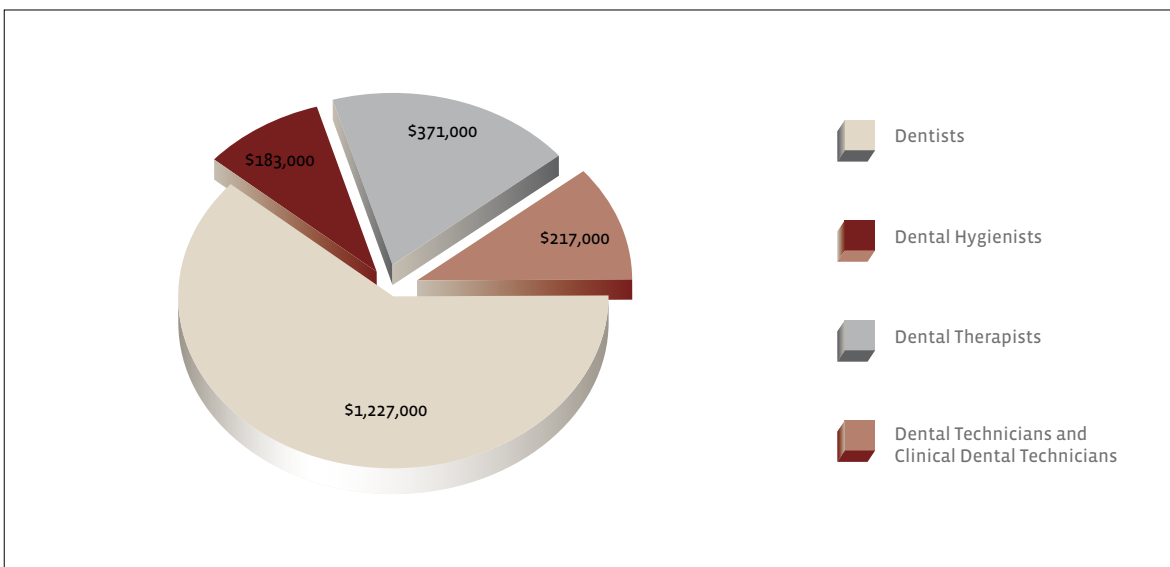
| Practitioner Group | 2009/10 | 2008/09 |
|-----------------------------|---------|---------|
| Dentists | \$700 | \$700 |
| Dental Hygienists | \$595 | \$595 |
| Orthodontic Auxiliaries | \$375 | \$375 |
| Dental Therapists | \$632 | \$632 |
| Dental Technicians | \$600 | \$600 |
| Clinical Dental Technicians | \$750 | \$750 |

ANNUAL PRACTISING CERTIFICATE REVENUE (GST EXCLUSIVE)

2008/2009 PERIOD



2009/2010 PERIOD



Audit Report



AUDIT REPORT

To : **The Readers of Dental Council of New Zealand Financial Statements for the year ended 31 March 2010**

The Auditor-General is the auditor of the Dental Council of New Zealand. The Auditor-General has appointed me, John Little, using the staff and resources of Markhams Miller Dean Audit to carry out the audit of the financial statements of the Dental Council of New Zealand, on his behalf, for the year ended 31 March 2010.

Unqualified Opinion

In our opinion

- The financial statements of the Dental Council of New Zealand on pages i to viii
- comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect;
 - the Dental Council of New Zealand's financial position as at 31 March 2010; and
 - the results of its operations for the year ended on that date.

The audit was completed on 24 May 2010, and is the date at which our opinion is expressed.

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

Basis of Audit Opinion

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

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

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

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

Audit procedures generally include:

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

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

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

Responsibilities of the Council and the Auditor

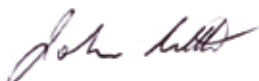
The Council is responsible for preparing financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of the Dental Council of New Zealand as at 31 March 2010. They must also fairly reflect the results of its operations for the year ended on that date. The Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

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

Independence

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

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



John Little

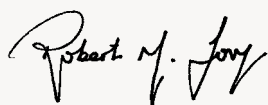
Markhams Miller Dean Audit
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Financial Position

As at 31 March 2010

| | As at 31 March 2010 \$ | As at 31 March 2009 \$ |
|--|------------------------------|------------------------------|
| ACCUMULATED CAPITAL (Note 8) | 972,623 | 1,197,486 |
| Current Assets | | |
| Petty Cash | 200 | 200 |
| ANZ Bank Account | 142,072 | 242,318 |
| Short Term Bank Deposits | 2,199,573 | 2,556,763 |
| Sundry Debtors | 26,364 | 24,958 |
| Provision for Doubtful Debts (Note 1g) | (20,663) | (13,273) |
| Prepaid expenses | 5,891 | |
| Interest Accrued | 12,780 | 7,261 |
| Total Current Assets | 2,366,217 | 2,818,227 |
| Fixed Assets (Note 9) | 90,557 | 98,010 |
| TOTAL ASSETS | 2,456,774 | 2,916,237 |
| Current Liabilities | | |
| Income in Advance (Note 11) | 1,037,898 | 1,362,170 |
| Sundry Creditors | 343,128 | 259,060 |
| GST Payable | 103,125 | 97,521 |
| TOTAL LIABILITIES | 1,484,151 | 1,718,751 |
| NET ASSETS | 972,623 | 1,197,486 |

Approved by



Chair

24 May 2010



CEO

24 May 2010

This Statement should be read in conjunction with the attached Notes to the Accounts on pages 33-36

Statement of Financial Performance

for the year ended 31 March 2010

| | Year Ended 31 March 2010 \$ | Year Ended 31 March 2009 \$ |
|--|-----------------------------------|-----------------------------------|
| Income From Fees | | |
| Annual Practising Certificate (Note 3) | 1,997,544 | 1,965,670 |
| Certificate of Good Standing | 3,422 | 5,558 |
| Registration Certificate and Fees | 135,078 | 93,158 |
| Retention Fees | 26,140 | 22,415 |
| Restoration | 1,729 | 800 |
| New Zealand Dental Registration Examination | 229,256 | 216,430 |
| INCOME FROM FEES | 2,393,169 | 2,304,031 |
| Other Income | | |
| Interest | 97,663 | 191,306 |
| Sale of Registers and Information Pack | 200 | 1,000 |
| Discipline Fines/Costs Recovered | | 43,502 |
| Sundry Income | 15,000 | 11,590 |
| OTHER INCOME | 112,863 | 247,398 |
| Total Income for Period | 2,506,032 | 2,551,429 |
| Less Expenditure as per Schedule | 2,730,895 | 2,737,950 |
| NET SURPLUS (DEFICIT) FOR PERIOD | (224,863) | (186,521) |

Statement of Movements in Equity

for the year ended 31 March 2010

| | Year Ended 31 March 2010 \$ | Year Ended 31 March 2009 \$ |
|--------------------------------------|-----------------------------------|-----------------------------------|
| Balance at Beginning of Year | 1,197,486 | 1,384,007 |
| Total Recognised Income and Expenses | (224,863) | (186,521) |
| BALANCE AT END OF YEAR | 972,623 | 1,197,486 |

This Statement should be read in conjunction with the attached Notes to the Accounts on pages 33-36

Schedule of Expenses

for the year ended 31 March 2010

| | Year Ended 31 March 2010 \$ | Year Ended 31 March 2009 \$ |
|--|-----------------------------------|-----------------------------------|
| Administration Expenses | | |
| Audit Fee | 14,220 | 14,912 |
| Depreciation (Note 6) | 28,562 | 41,378 |
| Doubtful Debts | 7,390 | 13,273 |
| Loss on Disposal of Assets | 2,899 | (178) |
| Insurance | 10,973 | 10,353 |
| Rent and Building Maintenance Fee | 110,060 | 93,056 |
| Salaries (Note 14) | 1,133,397 | 1,212,774 |
| Advertising | | 1,040 |
| Telephone and Tolls | 10,419 | 15,204 |
| IT Support | 10,458 | 22,114 |
| Legal | 154 | 2,935 |
| Publications | 2,678 | 3,783 |
| Staff Expenses (Note 14) | 71,962 | 110,117 |
| Office Expenses | 47,528 | 55,508 |
| Photocopying, Postage/Courier and Printing | 46,404 | 42,235 |
| Bank Charges | 24,883 | 28,909 |
| Total Administration Expenses | 1,521,987 | 1,667,413 |
| Project Expenses | | |
| Finance and Management | 35,457 | 67,501 |
| Data Collection General | 13,545 | 16,857 |
| Health Advisory | 17 | 7,114 |
| Education | | |
| Accreditation/Course Approval | 464 | 206 |
| Professional Development | | |
| Examination (Note 7) | 156,699 | 124,379 |
| Competence | 122,683 | 99,641 |
| Recertification | 92,209 | 74,385 |
| Registration | 141,020 | 71,103 |
| Discipline Expenses | | |
| PCC | | 708 |
| Disciplinary Tribunal | 261,262 | 760 |
| Appeals | 57,575 | 72,251 |
| Strategic Planning | 13,800 | 27,468 |
| Corp Services Communications | 45,794 | 39,810 |
| Corp Services Liaison | 50,841 | 67,832 |
| Boards | 106,594 | 139,723 |
| Council | 110,948 | 260,799 |
| Total Project Expenses | 1,208,908 | 1,070,537 |
| Total Expenditure | 2,730,895 | 2,737,950 |

This Statement should be read in conjunction with the attached Notes to the Accounts on pages 33-36

Notes to and Forming Part of the Financial Statements

for the year ended 31 March 2010

1. Statement of Accounting Policies

REPORTING ENTITY

The Dental Council of New Zealand is a body corporate constituted under the Health Practitioners Competence Assurance Act 2003. The Act established the Dental Council of New Zealand with effect from 18 September 2004.

GENERAL ACCOUNTING POLICIES

These financial statements are a General Purpose Financial Report as defined in the Statement of Concepts of the New Zealand Institute of Chartered Accountants and have been prepared in accordance with generally accepted accounting practice in New Zealand as defined in that Statement.

MEASUREMENT BASE

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

SPECIFIC ACCOUNTING POLICIES

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

a) Differential Reporting

The Council qualifies for differential reporting as provided for in the Framework for Differential Reporting of the New Zealand Institute of Chartered Accountants as it is not publicly accountable (as defined) and it is not large (as defined).

Under the Framework for Differential Reporting, an entity is publicly accountable if, during the current or preceding financial year, it was an issuer (of financial securities) as defined in the Financial Reporting Act 1993 or if it has the coercive power to tax, rate or levy to obtain public funds.

The Council has applied all differential reporting exemptions.

b) Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, where applicable.

c) Income Tax

The Council has been recognised as a charity by the Inland Revenue Department and is therefore exempt income tax. On 7 April 2008, Council was registered as a charitable entity under the Charities Act 2005. Registration is a prerequisite to ensure ongoing exempt income tax status.

d) Revenue Recognition

All revenue is recognised in the year it is due. Fees received are recognised as income in the year that registration applies.

e) Depreciation

Fixed assets are depreciated so as to write them off over their useful life using the straight line basis. Depreciation rates are:

| | |
|------------------------------|----------------------|
| Computer Hardware | 30% per annum |
| Computer Software | 30% per annum |
| Office Equipment | 5.5% – 30% per annum |
| Office Furniture and Fit-out | 10% per annum |

Notes to and Forming Part of the Financial Statements (continued)

for the year ended 31 March 2010

f) Fixed Assets

Fixed assets are shown at cost less accumulated depreciation (see Note 9).

g) Sundry Debtors

Sundry debtors are stated at their estimated net realisable value after allowing for doubtful debts.

CHANGES IN ACCOUNTING POLICIES

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

2. Related Parties

There are no related party transactions other than fees paid to members of Council (see Note 10).

3. Annual Practising Certificate

The Dental Council of New Zealand is responsible for regulating all the registered oral health practitioner groups. The details of registered oral health practitioners may be found in the Annual Report under Registration. These statistics have not been audited.

4. Non-cancellable Operating Lease Commitments

| | As at 31 March 2010 \$ | As at 31 March 2009 \$ |
|-------------|---------------------------|---------------------------|
| Current | 119,213 | 117,086 |
| Non-current | 140,472 | 259,685 |
| | 259,685 | 376,771 |

5. Capital Commitments

The Dental Council has a capital commitment for reception and office refit as at 31 March 2010 of \$40,258 (2009: Nil).

6. Depreciation

| | Year Ended 31 March 2010 \$ | Year Ended 31 March 2009 \$ |
|----------------------------|-----------------------------------|-----------------------------------|
| Computer Software | 1,852 | 15,323 |
| Computer Hardware | 14,278 | 14,538 |
| Office Equipment | 4,390 | 4,059 |
| Office Furniture & Fit-out | 8,042 | 7,458 |
| Total Depreciation | 28,562 | 41,378 |

7. Examination

The cost of examinations does not reflect any allocation of overheads, Secretariat or Council expenditure.

8. Accumulated Capital - Reserves

Under the Health Practitioners Competence Assurance Act 2003, the reserves of the Dental Council of New Zealand and the Dental Technicians Board vested into the new Dental Council of New Zealand at their carrying value effective 18 September 2004. The table below represents the carrying reserves of the Dental Council of New Zealand by the practitioner groups for operational reserves and disciplinary reserves:

| | Operational Reserves | | | Disciplinary Reserves | | | TOTAL |
|-------------------|-----------------------|----------------------------|------------------------|-----------------------|----------------------------|------------------------|------------------------|
| | 1 April 2009 \$ | Surplus (Deficit) \$ | 31 March 2010 \$ | 1 April 2009 \$ | Surplus (Deficit) \$ | 31 March 2010 \$ | 31 March 2010 \$ |
| Dentists | 594,604 | (225,630) | 368,974 | 351,189 | (128,600) | 222,589 | 591,563 |
| Technicians | (51,209) | 12,926 | (38,283) | 87,063 | 893 | 87,956 | 49,673 |
| Dental Hygienists | 142,023 | 11,903 | 153,926 | 40,175 | 844 | 41,019 | 194,945 |
| Dental Therapists | (3,973) | 101,719 | 97,746 | 37,614 | 1,082 | 38,696 | 136,442 |
| Total | 681,445 | (99,082) | 582,363 | 516,041 | (125,781) | 390,260 | 972,623 |

For each board, the surplus/(deficit) is the income (mainly from annual practising certificates), less board costs and Council overheads (allocated based on the number of registered practitioners).

9. Fixed Assets

| | Cost 31/3/10 \$ | Accum. Deprec. 31/3/10 \$ | Net Book Value 31/3/10 \$ | Cost 31/3/09 \$ | Accum. Deprec. 31/3/09 \$ | Net Book Value 31/3/09 \$ |
|----------------------------|-----------------------|------------------------------------|------------------------------------|-----------------------|------------------------------------|------------------------------------|
| Computer Software | 132,997 | 129,695 | 3,302 | 131,638 | 127,844 | 3,794 |
| Computer Hardware | 67,452 | 55,651 | 11,801 | 67,452 | 41,373 | 26,079 |
| Office Equipment | 27,298 | 18,973 | 8,325 | 23,491 | 14,584 | 8,907 |
| Office Furniture & Fit-out | 110,916 | 43,787 | 67,129 | 96,603 | 37,373 | 59,230 |
| Total | 338,663 | 248,106 | 90,557 | 319,184 | 221,174 | 98,010 |

10. Fees Paid to Members of Council

Council members are paid to attend meetings and to attend to designated Council business.

| | Year Ended 31 March 2010 \$ | Year Ended 31 March 2009 \$ |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Total Fees Paid to Members of Council | 146,818 | 188,666 |

Notes to and Forming Part of the Financial Statements (continued)

for the year ended 31 March 2010

11. Income in Advance

Income received for future events is stated at cost.

| | Dentist \$ | Therapist \$ | Hygienist \$ | Technician \$ | TOTAL 2010 \$ | TOTAL 2009 \$ |
|--|----------------|-----------------|-----------------|------------------|------------------|------------------|
| Examination Fees Received in Advance | | | | | | |
| Written | 1,253 | | | | 1,253 | 653 |
| Clinical | 55,662 | | | | 55,662 | 32,040 |
| NZCOP | | | | | 0 | 6,444 |
| Exams in Advance | 56,915 | 0 | 0 | 0 | 56,915 | 39,137 |
| APC and Retention Fees Received in Advance | | | | | | |
| APC | 452,812 | 265,091 | 102,856 | 145,968 | 966,727 | 1,312,634 |
| Retention Fee – Council | | | | | 14,256 | 10,399 |
| Annual Fees in Advance | 452,812 | 265,091 | 102,856 | 145,968 | 980,983 | 1,323,033 |
| INCOME IN ADVANCE | 509,727 | 265,091 | 102,856 | 145,968 | 1,037,898 | 1,362,170 |

12. Contingent Liabilities and Assets

In 2004, a Complaints Assessment Committee (CAC) of the Dental Council referred complaints about a dentist to a disciplinary tribunal. This decision was appealed to the High Court and culminated in the Court of Appeal finding in favour of the CAC during the 2009 financial year. The matter was heard by the Dentists Disciplinary Tribunal (DDT) in December 2009, and a decision was pending at the end of the financial year.

During the 2009 financial year, the Australian and New Zealand Association of Oral and Maxillofacial Surgeons initiated judicial review proceedings against Council relating to the scope of oral surgery. The matter is being heard by the High Court in September 2010.

The Dentists Disciplinary Tribunal appeal and judicial review will entail a commitment of Council funds, the sum of which cannot be reliably determined at balance date.

As a consequence of Council undertaking its statutory responsibilities, legal proceedings may result, and some costs may be recovered by an award of costs by a Court or Tribunal. Conversely, costs may be awarded against Council. Council also carries professional indemnity insurance. An award of costs whether for or against Council, or the acceptance of risk by an insurer with a reimbursement of costs in whole or in part, cannot be included as a contingent asset or liability, unless the amount can be quantified or the value reliably measured. At balance date, there are no contingent assets.

13. Events Occurring After Balance Date

No adjustable or non-adjustable events (as defined in the applicable financial reporting standard) have occurred between balance date and the date of completion of the financial statements.

14. Restructuring

In June 2008, a major review of the DCNZ Secretariat was commenced, and at its December 2008 meeting, the Dental Council gave its approval to a restructure proposal to be implemented in the 2008/09 year. In February 2009, a number of Secretariat staff took the opportunity to take redundancy under existing employment contract provisions. Redundancy payments totaled \$97,187. Other costs of the review and restructure include contract and consultancy and recruitment. The costs of the review and restructure are reflected in the salary and staff expenses costs in 2008/09 in the Schedule of Expenses.

There are no such costs in the 2009/2010 financial year.

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