

**THE PSYCHOLOGISTS BOARD
OF WESTERN AUSTRALIA**

**Annual Report and
Audited Financial Statements**

1 July 2006 to 3 May 2007

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THE PSYCHOLOGISTS BOARD OF WESTERN AUSTRALIA

Period Ended 3 May 2007

1. STATUTE

The Psychologists Board of Western Australia is established by the Psychologists Registration Act 1976 (the Act) assented to on 13 December 1976. The Board is a body corporate and exercises the powers, authorities, duties and functions imposed on it by the Act and Rules determined from time to time.

The preamble to the Act states:

“An Act to make provision for the registration of Psychologists and the regulation of the practice of psychology, the protection of the public from certain harmful practices and for matters incidental thereto.”

This Annual Report is prepared up to and including 3 May 2007 as the Psychologists Act 1976 was repealed on this date and replaced by the Psychologists Act 2005. In accordance with the transitional arrangements of the Psychologists Act 2005, it is necessary for the Board to prepare a report on the Board’s activities up to the day preceding the implementation of the new Act.

Accordingly, this is the said report.

2. FUNCTIONS OF THE BOARD

The Board is primarily responsible for the conduct and administration of the Act for the protection of the interests of the public by:

- a) the registration and the professional discipline of psychologists and approved hypnotists;
- b) exercising a general oversight over the standards of psychological practice;
- c) monitoring the standards of practice and training available to those seeking registration as psychologists;
- d) the investigation and prosecution of summary offences under the Act; and
- e) exercising the other functions assigned to it by or under the Act.

3. BOARD MEMBERSHIP

The following Members and Deputy Members of the Board were appointed under Sections 9(1) and 12(1) of the Psychologists Registration Act 1976.

BOARD MEMBERS & DEPUTIES

- a) A person who gives instruction in psychology at a university or other tertiary educational institution, nominated by the Minister from amongst persons registered under the Act.

Member	Professor Alison Garton	Appointed May 2003	Until 1 May 2007
Deputy	Dr Janet Fletcher	Appointed May 2003	Until 1 May 2007

- b) A psychiatrist nominated by the Royal Australasian and New Zealand College of Psychiatrists.

Member	Dr Oleh Kay	Appointed May 1999	Until 1 May 2007
Deputy	Vacant		

- c) Two persons nominated by the Australian Psychological Society (WA Branch).

Member	Mr Leslie Harrison	Appointed June 1996	Until 3 May 2007
Deputy	Dr John Manners	Appointed May 1999	Until 3 May 2007
Member	Dr Deborah Wilmoth	Appointed September 2002	Until 3 May 2007
Deputy	Mr Alan Plumb	Appointed May 2004	Until 3 May 2007

- d) One person nominated by the Minister from amongst persons who are practitioners within the meaning of the Legal Practitioners Act, 1983.

Member	Mr Stephen Crooks	Appointed June 1996	Until 1 May 2007
Deputy	Ms Jennifer Hawkins	Appointed September 2002	Resigned 1 July 2006
Deputy	Ms Clare Thompson	Appointed November 2006	Until May 2008

4. MEETINGS OF THE BOARD

The Board conducted 10 regular meetings during the year. A meeting was not held in January 2007. Regular meetings are held on the first Tuesday of the month.

Attendance of Members and Deputies at meetings:

Members	
Mr L Harrison	*10
Professor A Garton	9
Dr D Wilmoth	8
Mr S Crooks	10
Dr O Kay	8
Deputies	
Dr J Manners	0
Ms J Hawkins	0
Dr J Fletcher	0
Dr P Wynn-Owen	0
Mr A Plumb	1

*As Chair

Mr Harrison, Professor Garton, Dr Wilmoth, Dr Manners, Dr Fletcher, Ms Hawkins, Ms Thompson and Mr Plumb have each sat on one of the following Sub-Committees on a monthly basis:

Complaints Sub-Committee
Registrations Sub-Committee

Dr Manners and Ms Leonie Coxon have sat on 2 Impaired Practitioner Panels during the year.

5. ADMINISTRATIVE ARRANGEMENTS

The day to day administration work of the Board is undertaken by the Registrar, Assistant Registrar and other secretarial support provided on a fully serviced office basis. Other specialist consultation services are determined as required by the Board.

The majority of telephone enquiries received are able to be resolved by the administration staff. However, on the occasions where further expertise is sought, the calls are passed to a member of the Board.

All items pertaining to the registration of psychologists are dealt with by the Board at the monthly meetings, eg new registrations, withdrawals from the Register, changes to supervision/employment arrangements for those psychologists under supervision. On average the Board dealt with 21 new registrations and between 71 and 137 registration matters each month.

The Board's office is located on 2nd Floor, 15 Rheola Street, West Perth WA 6005. The office is open weekdays during the hours 9.00 am to 5.00 pm. Contact can be made by

telephone on (08) 9321 8499 or facsimile (08) 9481 4940 or e-mail on psychboard@hlbwa.com.au.

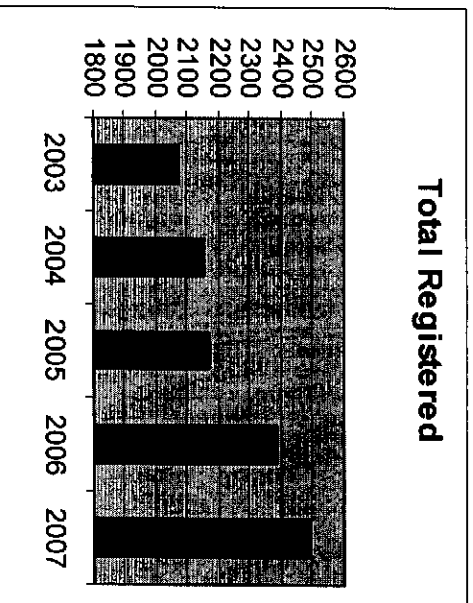
The website (www.psychboard.wa.gov.au) contains information relating to registration, complaints and registration fees.

6. REGISTRATION FEES

The Registration fees for the year were \$225.00.

The registration fees continue to be exempt from the Goods and Services Tax.

7. REGISTRATION STATISTICS

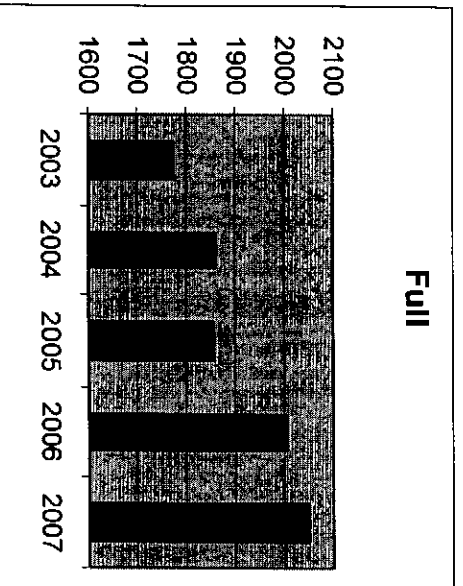


2003	2,071
2004	2,156
2005	2,169
2006	2,381
2007	2,485

These figures include fully and provisionally registered psychologists, together with those psychologists registered under the Mutual Recognition Act, hypnotists and those psychologists who have registered a business name.

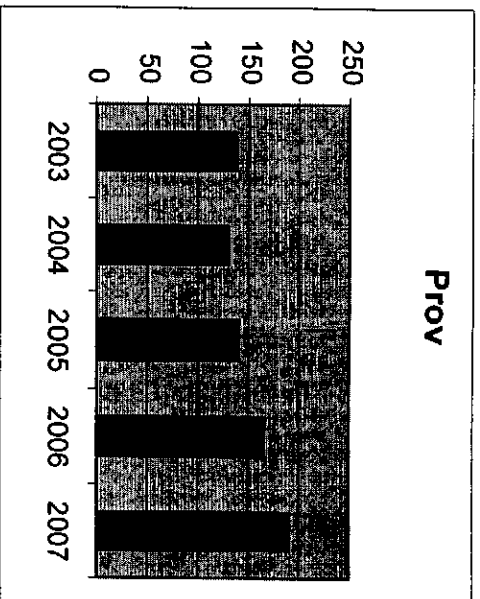
Table 1: Total Number of Registrations as at 3 May 2007

As indicated in Table 1, the number of registrations increased by 104 during the year, being an increase of 4.4%.



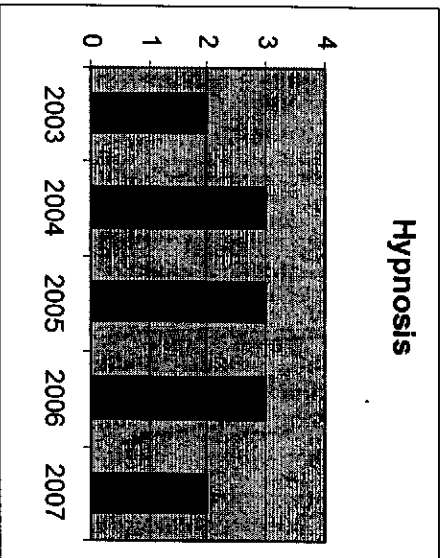
2003	1,777
2004	1,861
2005	1,855
2006	2,004
2007	2,049

Table 2: No of Fully Registered Psychologists as at 3 May 2007



2003	137
2004	129
2005	140
2006	165
2007	191

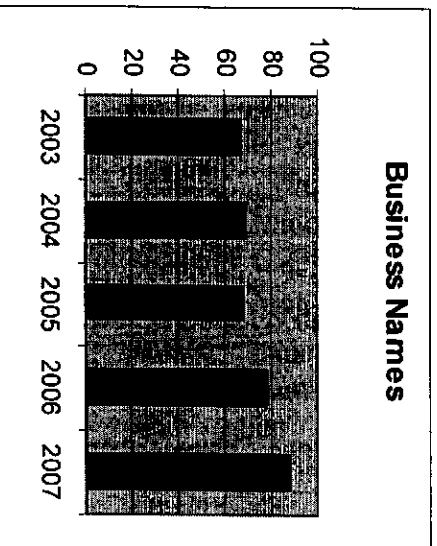
Table 3: No of Provisionally Registered Psychologists as at 3 May 2007



2003	2*
2004	3*
2005	3*
2006	3*
2007	2*

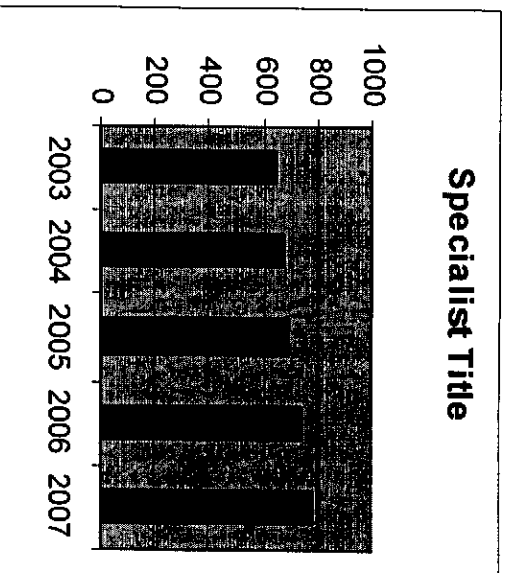
* This figure includes one licence to practice hypnosis – the remainder are restricted to entertainment work only.

Table 4: No of Registered Hypnotists as at 3 May 2007



2003	67
2004	69
2005	68
2006	78
2007	88

Table 5: Total Number of Registered Business Names as at 3 May 2007



2003 648
 2004 675
 2005 693
 2006 743
 2007 781

Table 6: No of Psychologists who hold a Specialist Title as at 3 May 2007

8. OVERSEAS QUALIFICATIONS

During the period 1 July 2006 to 3 May 2007 the Board received 26 applications for registration where the qualifications were gained overseas. The results of the assessments of those qualifications are shown below:

Country of Qualifications	Assessed as equivalent to:		Not equivalent	Total
	4 years	6 years		
South Africa	3	1	1	5
United Kingdom	3	-	-	3
USA	-	1	4	5
New Zealand	3			3
Germany	-	1	-	1
Brazil	-	1	1	2
Australia	-	-	2	2
Malta	-	-	1	1
Canada	2	1		3
Colombia	1	-	-	1
TOTAL	12	5	9	26

9. SPECIALIST TITLE

The following table shows the number of psychologists who hold an approved specialist title:

Approved Titles:	2003	2004	2005	2006	2007
Clinical	508	531	555	587	614
Counselling	55	59	59	68	70
Educational	14	13	13	13	16
Educ & Developmental	12	13	12	16	15
Clinical Neuropsychological	7	7	8	11	15
Organisational	24	23	20	20	20
Sport	4	4	3	3	3
Forensic	20	22	20	22	28
Other	4	3	3	3	3

10. INQUIRIES

One inquiry held in April and August 1994 related to a complaint that the psychologist had acted improperly. The charges against the psychologist were found to be proven (in September 1994). The Board's decision, upheld by the Supreme Court, was subject to an Appeal by the psychologist to the Full Court. This appeal was dismissed. The psychologist appealed to the High Court and this was subsequently dismissed. The psychologist is still continuing action through the Courts at considerable cost to the Board.

Formal Inquiries are no longer held by the Board; any matters which the Board determines are sufficiently serious to warrant striking off or suspension of the psychologist must be referred to the State Administrative Tribunal (SAT) for consideration.

During the period 1 July 2006 to 3 May 2007 three (3) matters were referred by the Board to the SAT.

The SAT is also the body where those aggrieved by a decision of the Board can lodge an appeal.

In this respect no appeals were heard by the SAT:

Full details of all Hearings before the SAT can be found on their website at www.sat.justice.wa.gov.au.

11. COMPLAINTS

It is a legal requirement that a copy of any complaint received by the Board be forwarded to the Office of Health Review.

All complaints received by the Board are subject to Freedom of Information legislation.

The Board received 17 new complaints for investigation during the period under review, it had 24 already under investigation at the start of the year and 25 were settled during the year.

In accordance with Section 70 of the Act, an Investigator was appointed in relation to 5 of the complaints received by the Board.

There are 16 matters outstanding as at 3 May 2007.

Below is a summary of the 25 complaints concluded during the period.

Of the 25 complaints 3 emanated from Family Law Court Actions and dissatisfaction with the Psychologist and the expert report presented to Court. As a result of receipt of an unfavourable decision delivered to the complainant by the Court allegations were made that included bias, discrimination, misrepresenting facts, professional incompetence, writing the report without interviewing all the parties involved. In all instances the Board found there was no case to answer.

Of the matters carried forward to next year for resolution over 4 relate to or arise out of Family Court Actions.

The 25 complaints determined during the year can be classified into the following broad areas of allegations.

10	Unprofessional Conduct
3	Unethical Conduct
3	Improper Conduct
3	Breach of confidentiality
1	Bias
1	Unfit to practice due to theft
3	Practising therapeutic hypnosis whilst not licensed
1	Undertaking psychological work whilst not registered

The improper conduct allegations included, in 2 cases, allegations of an improper relationship with a client. In both cases the Board found there was no case to answer. The other allegation of improper conduct related to allegations that the psychologist had not provided the correct therapy. After investigation the Board determined that the allegations were unfounded.

The complaints received alleging unprofessional conduct included allegations incompetence, bias, providing reports based on hearsay, providing reports and not interviewing clients from all sides (specifically referring to Family Court matters), not receiving appropriate psychological treatment.

Of the 10 complaints alleging unprofessional conduct, one was withdrawn by the complainant; 3 related to Family Court matters and following investigation by the Board it was found there was no case to answer; one was referred to the SAT for determination; one was determined by the Board to be proven and dealt with under Section 39A of the Act. The remaining 4 were investigated by the Board and it was determined the psychologists had no case to answer.

Of the 3 complaints alleging breach of confidentiality, following investigation 2 were found to be without substance. One complaint was determined to be proven. In this

case the psychologist admitted that a breach had occurred and provided an apology to the complainant. Steps were taken by the psychologist to ensure the situation didn't arise again.

One complaint received alleged theft by a psychologist, however, no supporting evidence was provided. Accordingly the Board closed the file.

The Board received 3 complaints alleged the practising of therapeutic hypnosis by a person not registered to do so.

After extensive investigations, the Board was unable to determine that therapeutic hypnosis had taken place and the files were closed.

One complaint received alleged the practising of psychology by a person not registered to do so.

After investigation the Board determined that the psychologist (who was registered in another State) was unaware that their name had been removed from the Register and they were, therefore, not eligible to practice as a psychologist in W.A.

The person concerned provided the Board with a written explanation and an undertaking that there would be no further incidences of this kind. In view of the circumstances, the Board accepted the explanation.

12. AMENDMENTS TO THE ACT & RULES

The Psychologists Act 2005 was approved in Parliament in November 2005.

The Regulations have been approved and came into effect on 4 May 2007.

The new legislation brings with it many changes to the current registration arrangements and the Board will be providing information to the profession during the coming year.

13. THE MUTUAL RECOGNITION (WA) ACT 2001

The Mutual Recognition Act (WA) Act 2001 facilitates the registration of psychologists throughout the whole of Australia. The current Act expires on 28 February 2011.

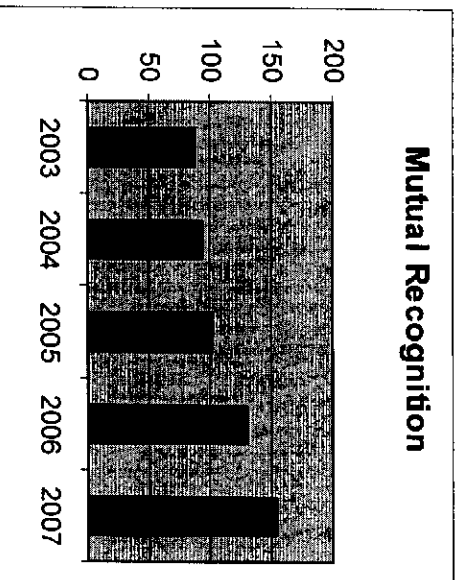


Table 7: No of Psychologists Registered under The Mutual Recognition (WA) Act 2001

14. INTERACTION WITH THE PUBLIC

Many enquiries were received at the office of the Board during the year, both in writing and by telephone. Major areas of enquiry included:

- registration requirements for full and provisional registration;
- checks to ascertain the registration status of specific persons;
- the Board's requirements on supervision and specialist titles;
- potential registration status of recent or intending immigrants;
- legitimacy or otherwise of certain practices;
- queries regarding overseas qualifications;
- complaints against persons not registered as psychologists; and
- complaints against registered psychologists.

Since information relating to registration was placed on the Board's website, the numbers of requests to the office for documentation to be posted out have reduced greatly.

The majority of enquiries are dealt with by the Registrar and the Assistant Registrar. Enquiries which cannot be dealt with under established policies and procedures are passed to the Chairperson and subsequently dealt with at a Board meeting.

15. GENERAL

Newsletters

The Board has continued to disseminate any relevant information to registrants by way of the *Psychologists Bulletin*. The *Bulletin* is produced on an ad hoc basis by the Board, as and when required. Copies of the *Bulletin* are published on the Board's website.

Policies

Details of any policies adopted by the Board during the year have been notified to psychologists in the *Bulletin* and are published on the Board's website.

Freedom of Information

Part 5 of the Freedom of Information Act 1992 requires the Board to prepare, publish and maintain an up to date Information Statement.

Copies of the Information Statement can be obtained from the Board's office free of charge or can be downloaded from the Board's website.

No requests for release of information under the Freedom of Information Act have been received by the Board during the year.

Web Site

The Board operates a web site which contains information relating to registration, specialist title supervision, Board policy statements, forms to download for registration and other information. The website also contains the facility to search the Register for a psychologist's details. The website address is www.psychboard.wa.gov.au.

State Records Act 2000

Under Section 19 of the State Records Act 2000 the Board is required to have a Record Keeping Plan ("RKP") in place. The RKP provides an accurate reflection of the record keeping program of the Board and must be complied with by the Board and its staff.

The RKP for the Board has been approved by the State Records Commission until 2009.

In accordance with Standard 2 Principle 6 of the Act:

1. The efficiency and effectiveness of the Board's record keeping systems are evaluated on a regular basis and will be evaluated at the time of the review of the RKP.
2. The Board conducts a recordkeeping training program for staff involved in records management, covering topics such as the Board's obligations under the Act, procedures regarding creation, management and disposal of records.
3. The efficiency and effectiveness of the record keeping training program is reviewed every 6 months.
4. The Board's induction program addresses employees' roles and responsibilities in regard to their compliance with the RKP.

State Administrative Tribunal (SAT)

The State Administrative Tribunal legislation came into effect in January 2005.

Information regarding the SAT can be found on the website www.sat.justice.wa.gov.au.

Fitness to Practice

The Board has produced guidelines to deal with matters concerning fitness to practice issues relating to registered psychologists.

Assessment of Overseas Qualifications

The Board has independent status advisers who review details of overseas qualifications of potential applicants to determine their equivalency. The number of assessments undertaken each year remains constant and provides the advisers with a large amount of work.

Registration Fees

The annual registration fee for registered psychologists is due, as per the Act, on 1 June each year and those registrants whose fees remain unpaid as at 1 July were removed from the Register at the July meeting of the Board.

16. ACKNOWLEDGEMENTS

I would like to thank all those current Board Members and Deputies for their tireless contributions to the Board during the last year.

I would also like to extend my best wishes to those Board Members who are retiring at the end of this period. Professor Garton, Dr Kay and Mr Crooks have been long-serving Members of the Board and their knowledge, experience and expertise have proved to be invaluable during the many and extensive deliberations of the Board.

Dr Fletcher was a long serving Deputy Board Member who provided great service to the Board in sitting on the Registrations Sub-Committee. Her knowledge and experience were greatly valued by the Board when reviewing registration matters and her input into the revised conditional supervision guidelines was greatly appreciated. Dr Fletcher was also an able Deputy for Professor Garton, sitting on the Board when required.

The time and expertise given by all Members and Deputies sitting on the Board and Sub-Committees is given generously and their efforts are much appreciated.

During the year the Board has also sought the services of registered psychologists to assist them in their deliberations on various matters. Those individuals gave their time, knowledge and expertise willingly and their assistance was much appreciated.

The Board also wishes to acknowledge the work of its Registrar, Mr Trevor Hoddy, and Assistant Registrar, Mrs Kim Firth. Both provide an indispensable service in maintaining an efficient and effective administrative service to the Board.

Signed for and on behalf of the Board by resolution.



CHAIR

DATE 4/12/2007

**PSYCHOLOGISTS BOARD
OF
WESTERN AUSTRALIA**

FINANCIAL REPORT

**FOR THE PERIOD 1 JULY 2006 TO
3 MAY 2007**

**PSYCHOLOGISTS BOARD
OF WESTERN AUSTRALIA
FINANCIAL REPORT**
For the period ended 3 May 2007

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PSYCHOLOGISTS BOARD OF WESTERN AUSTRALIA
STATEMENT BY REGISTRAR

I, Trevor Hoddy, the Registrar of the Psychologists Board of WA, hereby state that in my opinion:

- (a) the accompanying Income Statement for the period 1 July 2006 to 3 May 2007 gives a true and fair view of the Board's surplus for the period;
- (b) the accompanying Balance Sheet at 3 May 2007 gives a true and fair view of the Board's state of affairs as at the end of the period; and
- (c) at the date of this statement, there are reasonable grounds to believe that the Board will be able to pay its debts as and when they become due and payable.


.....
TREVOR HODDY
REGISTRAR

.....
4/12/2007
Date

INDEPENDENT AUDITORS REPORT
TO THE REGISTRANTS OF PSYCHOLOGISTS BOARD OF WESTERN AUSTRALIA

Report on the financial report

We have audited the accompanying financial report of Psychologists Board of Western Australia, which comprises the balance sheet as at 3 May 2007, and the income statement, statement of changes in equity and cash flow statement for the period then ended a summary of significant accounting policies and other explanatory notes.

Board's and Registrar's responsibility for the financial report

The Board and Registrar are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Psychologists Registration Act 1976. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards, which require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

We performed the procedures to assess whether in all material respects the financial report

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presents fairly, in accordance with the Psychologists Registration Act 1976 and Australian Accounting Standards (including the Australian Accounting Interpretation), a view which is consistent with our understanding of the entity's financial position and of its performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Accounting Professional and Ethical Standards Board.

Auditor's opinion on the financial report

In our opinion, the financial report of Psychologists Board of Western Australia is in accordance with the Psychologists Registration Act 1976, including:

- (a) giving a true and fair view of the entity's financial position as at 3 May 2007 and of its performance for the financial period ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations).

GRANT THORNTON (WA) PTY LTD



J W VIBERT
DIRECTOR
PERTH WA

Date: 17 December 2007

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
INCOME STATEMENT
FOR THE PERIOD ENDED 3 MAY 2007**

	<i>Note</i>	<i>01/07/06 - 03/05/07</i>	<i>Year ended 30/06/06</i>
		\$	\$
REVENUE	3		
Registration fees		459,512	417,026
Interest		28,441	22,732
Trust distributions received – Asgard		21,996	20,409
Fair value change on financial asset		26,642	23,355
Sundry income		283	50
		536,874	483,572
EXPENSES			
Secretarial and administration fees	4	290,116	303,035
Legal, inquiry and complaint costs	4	26,939	68,208
Printing, postage and stationery		11,465	16,121
Other expenses		33,853	33,510
		362,373	420,874
Surplus before income tax expense		174,501	62,698
Income tax expense	1(b)	-	-
Net surplus		174,501	62,698

The accompanying notes form part of this income statement.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
BALANCE SHEET AS AT 3 MAY 2007**

	<i>Note</i>	03/05/07	30/06/06
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	5	462,317	678,211
Other receivables	6	15,651	22,337
Other	7	5,586	5,211
TOTAL CURRENT ASSETS		483,554	705,759
NON-CURRENT ASSETS			
Financial asset	8	364,308	318,536
Property, plant and equipment	9	-	137
TOTAL NON-CURRENT ASSETS		364,308	318,673
TOTAL ASSETS		847,862	1,024,432
CURRENT LIABILITIES			
Trade & other payables	10	140,698	491,769
TOTAL CURRENT LIABILITIES		140,698	491,769
TOTAL LIABILITIES		140,698	491,769
NET ASSETS			
EQUITY			
Accumulated surplus		707,164	532,663
TOTAL EQUITY		707,164	532,663

The accompanying notes form part of this balance sheet.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 3 MAY 2007**

	<i>Accumulated Surplus</i>	<i>Total</i>
	\$	\$
Balance as at 1 July 2005	469,965	469,965
Net surplus for the year	62,698	62,698
Balance as at 30 June 2006	532,663	532,663
Net surplus for the period	174,501	174,501
Balance as at 3 May 2007	707,164	707,164

The accompanying notes form part of this statement of changes in equity.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
CASH FLOW STATEMENT
FOR THE PERIOD ENDED 3 MAY 2007**

	<i>Note</i>	<i>01/07/06 - Year ended</i>	<i>03/05/07</i>	<i>30/06/06</i>
		\$	\$	\$
Cash flows from operating activities				
Receipts from registrants		136,061		479,058
Interest received		25,026		23,195
Distributions received		21,996		20,409
Sundry income		283		50
Payments to suppliers		(420,216)		(440,587)
Goods and services tax recovered		40,087		39,416
Net cash provided by/ (used in) operating activities	11	(196,763)		121,541
Cash flows from investing activities				
Investment purchases		(19,131)		(77,307)
Proceeds from sale of investments		-		58,070
Net cash used by investing activities		(19,131)		(19,237)
Net increase (decrease) in cash held		(215,894)		102,304
Cash at the beginning of the financial year		678,211		575,907
Cash as at 3 May 2007	5	462,317		678,211

The accompanying notes form part of this cash flow statement.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Psychologists Registration Act 1976 ("Act").

The financial report covers the Psychologists Board of Western Australia as an individual entity. The Board is incorporated in Western Australia under the Psychologists Registration Act 1976. The financial report covers the period 1 July 2006 to 3 May 2007. The financial statements have been prepared up to this date as the Psychologists Act 2005 was proclaimed on 4 May 2007. Comparative balances are stated for the full year ended 30 June 2006.

The financial report was authorised for issue in accordance with a resolution of the Board on 4 December 2007.

The financial report of the Psychologists Board of Western Australia complies with all applicable Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

The following is a summary of the material accounting policies adopted by the Board in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Significant Accounting Judgements, Estimates and Assumptions

The Board has not made any significant accounting judgements, estimates or assumptions in the process of applying the Board's accounting policies for the year.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets, see Note 1 (j) for the accounting measurement of portfolio investments held by the Board. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

a) Income and Expense Recognition

Registration fees are brought to account as income on a time expiry basis under the accruals method of accounting.

Expenses are brought to account under the accruals method of accounting in the year incurred.

b) Taxation

The income of the Psychologists Board of Western Australia is exempt from tax pursuant to Section 24A-Q of the Income Tax Assessment Act 1936.

c) Goods and Services Tax

Revenue and expenditure is stated net of the amount of goods and services tax (GST).

The Australian Taxation Office has advised and ruled that registration fees are exempt from GST. The Board, however, pays GST on its supplies and obtains credit refunds quarterly upon lodgement of its Business Activity Statements.

d) Secretarial and Administration Fees Expense

This expenditure represents the Board's administration and secretarial fees budgeted and approved by the Board and paid as a retainer for the period ended 3 May 2007. It includes the provision of fully serviced office facilities such as management and administration together with accounting, secretarial staff, typing, computer facilities, telephone attendance, reception, public access, rental for office space and meeting facilities, newsletter, educational presentations, attendance at registration and complaint management and other services required by the Board, professional conventions and sub-committee meetings. The pro-rata increase for the period ended 3 May 2007 includes additional service costs in relation to the above and special meetings as required. It also reflects substantially greater administration activity due to specialist title supervision requirements, registrations, the number of complaints submissions and complexities with associated legalities and other matters in comparison to previous years including SAT Legislation.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

e) Registration fees income

The registration fees received for this period reflect an increase in the number of registrants.

f) Legal, inquiry & complaint costs

These costs represent fees paid by the Board for legal services associated with matters arising from complaints lodged with the Board and representations at SAT (State Administration Tribunal) on behalf of the Board, and attending to various continuing court appeals including one made by a registrant to an Inquiry held by the Board in 1994.

g) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash includes cash at banks and investments in money market instruments.

h) Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the registrar to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of plant and equipment is depreciated on a diminishing value method over their useful lives to the Board commencing from the time the asset is held ready for use.

Plant and Equipment consists of 5 filing cabinets that have been written off in the current year as their carrying value was \$137 which was deemed nominal and therefore is to be written off.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

j) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below:

Financial assets at fair value through income statement

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by the Board and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Fair value

Fair value is determined based on current market prices as advised by Asgard.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

2. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

At the date of this report, there were a number of Accounting Standards and Interpretations that were issued but not yet effective, however the Board anticipates that the adoption of these Standards and Interpretations in future reporting periods will have no material impact on the Board.

AASB Amendment	Standards affected	Outline of amendment	Application Date of Standard	Application Date for Group
AASB 2005-10 Amendments to Australian Accounting Standards	AASB 1 of AIFRS	The disclosure requirements of AASB 132:Financial Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial Instruments	1 Jan 2007	1 July 2007
	AASB 4 Insurance contracts	Instruments: Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial Instruments		
	AASB 114 Segment reporting	Disclosure and Presentation have been replaced due to the issuing of AASB 7: Financial Instruments		
	AASB 117 Leases	AASB 7: Financial Instruments		
	AASB 133 Earnings per share	Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report.		
	AASB 1023 General Insurance Contracts	Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report.		
	AASB 1038 Life Insurance Contracts	Disclosures in August 2005. These amendments will involve changes to financial instrument disclosures within the financial report.		
	AASB 139 Financial Instruments: Recognition and Measurement	However, there will be no direct impact on amounts included in the financial report as it is a disclosure standard		
AASB 132	Financial Instruments: Disclosure and Presentation	As above.	1 Jan 2007	1 July 2007

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

	<i>01/07/06 -</i>	<i>Year ended</i>
3. REVENUE	<i>03/05/07</i>	<i>30/06/06</i>
Operating activities		
Registration fees	459,512	417,026
Non-operating activities		
Sundry income	283	50
Trust distributions		
Asgard	21,996	20,409
Fair value changes on financial asset		
Asgard	26,642	23,355
Interest Revenue		
Westpac cash management account	3,284	2,523
Asgard cash holding account	389	295
Westpac term deposits	24,768	19,914
Total interest revenue	<u>28,441</u>	<u>22,732</u>
TOTAL REVENUE	<u>536,874</u>	<u>483,572</u>

4. EXPENSES

Included in expenses for the period are:

Secretarial and administration fees	290,116	303,035
Legal, inquiry and complaint costs	26,939	68,208

5. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	22,112	438,211
Short-term bank deposits	440,205	240,000
	<u>462,317</u>	<u>678,211</u>

The effective interest rate on the short-term bank deposits was 6.23% (2006: 5.7%). This deposits have a maturity term of 2 and 12 months.

RECONCILIATION OF CASH

Cash at the end of the financial year as shown in the Cash Flow Statement and Balance Sheet comprises:

Cash at bank – Cash management A/C	14,991	431,952
Cash at bank – Asgard	7,121	6,259
Cash at bank – Term deposits	440,205	240,000
	<u>462,317</u>	<u>678,211</u>

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007**

	03/05/07	30/06/06
	\$	\$
6. OTHER RECEIVABLES		
Goods and services tax recoverable	11,374	16,475
Other Debtors	-	5,000
Accrued Interest	4,277	862
	15,651	22,337
7. OTHER CURRENT ASSETS		
Prepayments	5,586	5,211
	5,586	5,211
8. FINANCIAL ASSET		
<i>Financial asset at fair value through income statement</i>		
Asgard investment at fair value	364,308	318,536
	364,308	318,536
Movements in carrying amount:		
Balance at the beginning of the year	318,536	275,947
Additions	19,130	19,234
Disposals	-	-
Fair value adjustments	26,642	23,355
Balance at the end of the period	364,308	318,536
9. PROPERTY, PLANT AND EQUIPMENT		
Plant & Equipment -- at cost	1,482	1,482
Accumulated depreciation	(1,482)	(1,345)
	-	137
Movements in carrying amount:		
Balance at the beginning of the year	137	157
Additions	-	-
Disposals	-	-
Depreciation expense	(137)	(20)
Balance at the end of the period	-	137

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007**

	03/05/07	30/06/06
	\$	\$
10. TRADE & OTHER PAYABLES		
CURRENT		
Creditors and accruals	51,635	76,209
Income in advance	89,063	415,560
	140,698	491,769

	01/07/06 – 03/05/07	Year ended 30/06/06
11. CASH FLOW INFORMATION		
RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO NET SURPLUS		

Net surplus	174,501	62,698
Non cash flows in surplus:		
Depreciation and amortisation	137	321
Unrealised gains on financial asset at fair value through income statement	(26,642)	(23,355)
Changes in operating assets and liabilities:		
Decrease/(increase) in receivables	6,311	(6,957)
(Decrease)/increase in payables	(351,070)	88,834
Net cash provided by operating activities	(196,763)	121,541

12. AUDITORS' REMUNERATION	
Audit of the financial report	8,884
	2,910

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

13. RELATED PARTY INFORMATION

(a) Board members of the Psychologists Board of Western Australia at any time during the period:

Board Members	Deputy Members
Mr L Harrison	Dr J H Manners
Professor A F Garton	Dr J F Fletcher
Mr S D Crooks	Ms J Hawkins (resigned July 2006)
Dr O V Kay	Dr P Wynn-Owen
Dr D Wilmoth	Mr A J Plumb

(b) Remuneration of Board Members

	<i>01/07/06 –</i>	<i>Year ended</i>
	<i>03/05/07</i>	<i>30/06/06</i>
	\$	\$
Total income received (short-term employee benefits) –		
sitting fees	3,550	4,615
	<u>3,550</u>	<u>4,615</u>

14. SEGMENT REPORTING

The Board operates as a statutory registration body within Western Australia, and as such, comprises only one reportable business and geographical segment.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007**

15. FINANCIAL INSTRUMENTS

a) Financial Risk Management

The Board's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and investments in a public unit trust.

b) Interest Rate Risk

The Board's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

	<i>Weighted Average Effective Interest Rate</i>		<i>Floating Interest Rate</i>		<i>Fixed Interest Rate Within 1 Year</i>		<i>Non-Interest Bearing</i>	
	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>	<i>2007</i>	<i>2006</i>
FINANCIAL ASSETS								
Cash at bank and on hand	3.25	3.45	22,112	438,211	-	-	-	-
Short term bank deposit	6.23	5.70	-	-	440,205	240,000	-	-
Financial asset	-	-	-	-	-	-	364,308	318,536
TOTAL FINANCIAL ASSETS			22,112	438,211	440,205	240,000	364,308	318,536
FINANCIAL LIABILITIES								
Payables	-	-	-	-	-	-	140,698	491,769
TOTAL FINANCIAL LIABILITIES			-	-	-	-	140,698	491,769
NET FINANCIAL ASSETS			22,112	438,211	440,205	240,000	223,610	(173,233)

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007

15. FINANCIAL INSTRUMENTS (cont.)

c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any allowances for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The Board does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Board.

d) Net Fair Values

The net fair values of financial assets and liabilities approximate their carrying values. No financial assets and financial liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

16. EMPLOYEES

Number of employees at balance date

	03/05/07	30/06/06
	<i>Number</i>	<i>Number</i>
	0	0

17. BOARD DETAILS

The principal place of business of the Board is:

2nd Floor
15 Rheola Street
WEST PERTH WA 6005

18. PRINCIPAL ACTIVITIES

The Board is primarily responsible for the conduct and administration of the Act for the protection of the interests of the public by:

- the registration and the professional discipline of psychologists and approved hypnotists;
- exercising a general oversight over the standards of psychological practice;
- monitoring the standards of practice and training available to those seeking registration as psychologists;
- the investigation and prosecution of summary offences under the act; and
- exercising the other functions assigned to it by or under the Act.

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA**

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 3 MAY 2007**

19. CONTINGENT LIABILITIES

The Psychologists Board of WA has been served with a Writ in July 2002 by a registered Psychologist making various claims in relation to disputes concerning the outcome of a Board Inquiry determined in January 1994. The Board's legal advisers are intending to have the writ struck out and the insurers have been advised. The quantum and extent of potential damages is unknown and unspecified as at 3 May 2007.

The registered Psychologist is also appealing court decisions whereby the court upheld penalties ordered by the Board against the Psychologist and are ongoing as at 3 May 2007.

The Psychologists Board of WA, as part of the Board's role, receives complaints by the public against registrants. Complaints are investigated to determine whether the matter should go to full inquiry to be determined by SAT. There are legal costs incurred in this determination process.

As at 3 May 2007, there were a number of possible inquiry cases being investigated that may possibly be referred to SAT. There will be administration and legal costs incurred as a result of this process and the extent of costs is unknown as at 3 May 2007.

20. EVENTS OCCURRING AFTER BALANCE DATE

The Psychologist Act 2005 was proclaimed on 4 May 2007. This act replaces the existing Psychologist Act 1976 which sets out the governing principles of the board. No material change to the treatment of information in this financial report is expected.

AUDITORS' DISCLAIMER

The additional financial data presented on page 23 is in accordance with the books and records of The Psychologists Board of Western Australia which have been subject to the auditing procedures applied in our statutory audit of the Board for the period ended 3 May 2007. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy of reliability is given.

In accordance with our Firm policy, we advise that neither the Firm nor any member or employee of the Firm undertakes responsibility arising in any way whatsoever to any person in respect of such data, including any errors or omissions therein, arising through negligence or otherwise however caused.

GRANT THORNTON (WA) PTY LTD
Chartered Accountants



J. W. Vibert
Director

Dated *17 December 2007*
Perth, Western Australia

**PSYCHOLOGISTS BOARD OF
WESTERN AUSTRALIA
DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE PERIOD ENDED 3 MAY 2007**

	<i>01/07/06 –</i>	<i>Year ended</i>
	<i>03/05/07</i>	<i>30/06/06</i>
	\$	\$
INCOME		
Interest	28,441	22,732
Registration fees	459,512	417,026
Trust distributions received – Asgard	21,996	20,409
Fair value change on financial asset	26,642	23,355
Sundry income	283	50
	536,874	483,572

Less:

EXPENSES

Auditors' remuneration	8,884	2,910
Bank charges	3,876	1,951
Board member fees	3,550	4,615
Conference expenses	2,363	3,788
Depreciation	137	321
Fees & charges – Asgard	2,392	2,363
General expenses	2,378	3,937
Qualification assessments	-	1,600
Insurance	5,784	6,625
Legal, inquiry & complaint costs	26,939	68,208
Printing, postage & stationery	11,465	16,121
Serviced office administration fees retainer	290,116	303,035
Subscriptions	2,791	3,177
Telecommunications	1,698	2,223
	362,373	420,874

OPERATING SURPLUS FOR THE PERIOD

	174,501	62,698
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