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# **New Zealand Artificial Limb Board**

## **STATEMENT OF INTENT**

**2010-13**

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

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## Foreword

On the surface, the New Zealand Artificial Limb Board is a simple government agency with a simple purpose that has remained essentially the same since the Second World War – the provision of a prosthetic service to meet the needs of persons with limb loss.

New Zealand is unusual in having a single national limb service, government owned and operated and essentially free to amputees through Ministry of Health or ACC funding. It is highly regarded internationally because of these characteristics and especially as a sole national service.

Its priority, to which it directs about 90% of its efforts, is to continue a high quality service to New Zealand amputees with the emphasis on maintaining the capability of the service and steadily enhancing it within current funding constraints.

Scratch below the surface though, and a more complex picture emerges. The New Zealand Artificial Limb Board has two quite different sides to its “personality”.

On the one hand, it is one of only two government agencies that are manufacturers, with all the associated aspects of stock management and control, import licensing, overseas exchange rates, workshops and compliance with health and safety and other regulations related to a manufacturing body.

On the other, it involves the “soft skills” relating to a health service involved in caring for patients on an individualised basis, with wide ranging ages, mobility, lifestyles, occupations and interests. Its skilled team includes prosthetists and prosthetic technicians, medical specialists, physio- and occupational therapists and support staff.

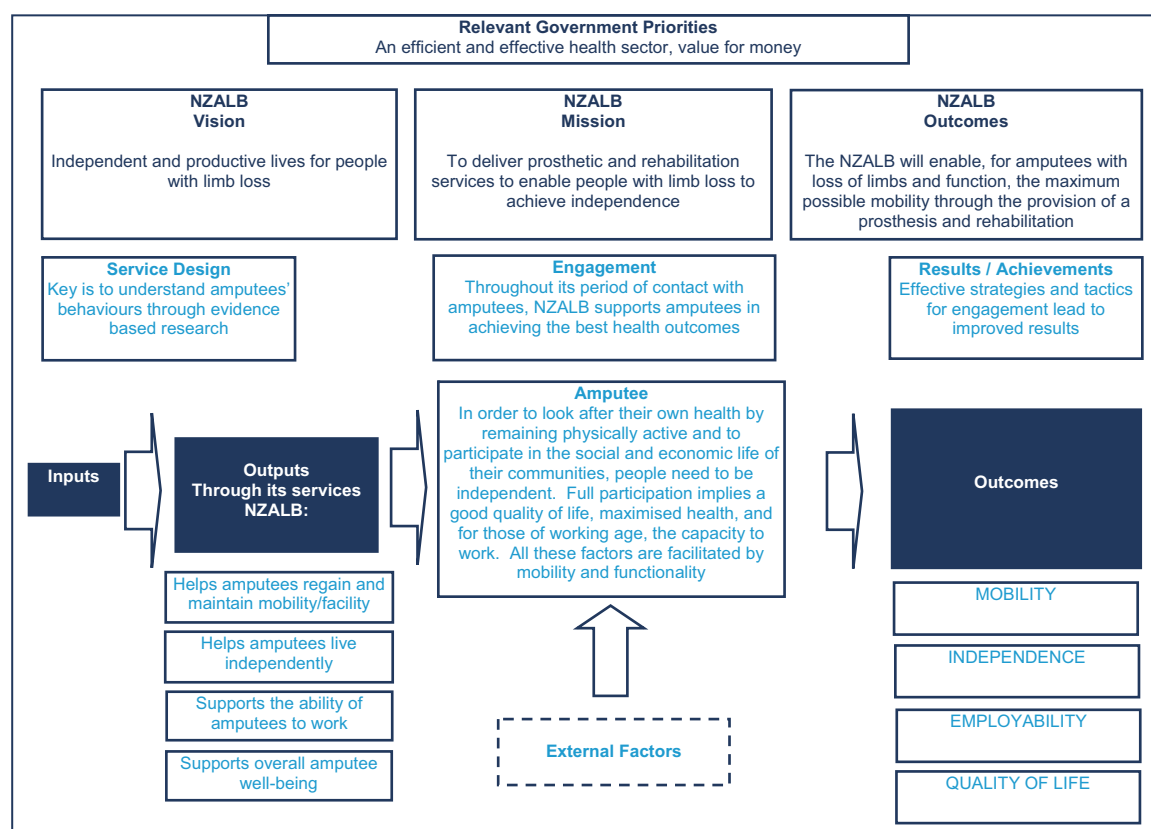
Both these aspects provide a challenge to a stable, skilled and long-serving staff, who need to be open to training with new skills to cope with the changing needs of clientele, technology, government and global trends.

The challenge to the organisation is to keep these two aspects in balance, always focusing primarily on the needs of amputees, present and future.

The New Zealand Artificial Limb Board looks forward to another year in which this balance fulfills the broad needs of amputees, while at the same time being financially sustainable and reflecting current government policies and intentions.

On behalf of the Board  
A Graeme Hall  
Chair

## New Zealand Artificial Limb Board Outcomes Framework – Overview <sup>1,2</sup> NZALB



The activities of the New Zealand Artificial Limb Board are aligned with the Government's Priorities as follows:

- An efficient and effective health sector. The New Zealand Artificial Limb Board contributes in its specialist area to provide amputees<sup>3</sup> of all ages the rehabilitative services that change the lives of those with limb loss and enable them to become as independent as possible. The logic is that these changes positively influence New Zealand society through amputees becoming mobile, independent and being further enabled to contribute to society through their enhanced mobility. The New Zealand Artificial Limb Board's services are constantly monitored to ensure they provide a high quality and efficient service.
- Value for money. The New Zealand Artificial Limb Board contributes value for money through internal concentration on constant improvement in services to amputees and external recourse to international research and training opportunities. Examples over the last few years are:
  - an outcomes measures project that measures the patient journey, including objective measures of patients' progress, integrated into the IT system, over their first vital year with the New Zealand Artificial Limb Board service. This is a

<sup>1</sup> Consistent with ACC and Ministry of Health goals.

<sup>2</sup> See p.16 for Outcomes Framework expanded to include service management

<sup>3</sup> "Amputees" is used throughout as a generic term for people with limb loss where this arises from both amputation and congenital conditions.

long term project which is being refined each year and which leads to more effective treatment

- the addition of CAD/CAM technology, which provides a faster and more convenient fitting process for amputees
- a new IT patient database that integrates clinical, financial, and administrative records for administrative efficiency
- a “lean thinking” approach to business, with ongoing emphasis on stock and inventory control and appropriate individualised prescriptions
- training courses on amputee care for allied health professionals to increase knowledge/provide better service
- a range of resources e.g. posters, on topics such as bandaging, safe methods of transfer of amputees, post-operative application of rigid removable dressings and how to put artificial limbs on and off.

## Introduction

The New Zealand Artificial Limb Board<sup>4</sup> is an autonomous Crown entity that provides the national prosthetic limb service to New Zealand amputees.

For most amputees the relationship with the New Zealand Artificial Limb Board is life-long. The limbs need to be prescribed, fabricated, maintained and repaired, then replaced when they wear out or the amputee's needs change. Early rehabilitation occurs through fitting the limbs and assisting with their use as soon as practicable after amputation. Maintenance rehabilitation ensures amputees continue to cope as changes occur throughout life.

The 4,300 amputees registered with the New Zealand Artificial Limb Board are of all ages, and across the social spectrum, with the majority within the "working age" group of 18-65. They vary from healthy and active people to the ill and frail, and individual prescription is therefore essential.

Whatever age, mobility is a key element to independence, and as people's circumstances change over the years, so may their prosthetic needs – young and active people have different needs from those who are older and/or more sedentary. The logic is that assistance to help individuals realise their own potential has rewards for the individual, their family, their community and society in general. The New Zealand Artificial Limb Board plays a vital role, therefore, in providing amputees with the potential to participate fully in society at whatever stage in life they may be, and to accommodate changes in lifestyle, as the following example demonstrates.

### Patient profile: Jim Flack (in his words)



*Jim Flack, bank clerk, lost his leg when he was 20 in a serious car accident. He was immediately fitted with a prosthesis, and was able to continue his job. At 22, Jim bought a mountain bike and started regular riding. Cycling was easy on the stump and riding brought fitness and a feeling of being more motivated.*

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<sup>4</sup> Terms are defined as follows: "New Zealand Artificial Limb Board", NZALB, and "Limb Service" refer to the entire organisation of the New Zealand Artificial Limb Board. "The Board" refers to the members of the Board of the New Zealand Artificial Limb Board, i.e. the legal entity.

*Jim spent a lot of his time riding tracks in the hills around the Hutt Valley and this led to his appreciating the outdoors so much that he decided he didn't want to work in an office any more. After trying a few jobs that involved spending prolonged time on his feet, Jim discovered he could manage this without problems. At 24 Jim jumped at the chance of working on a golf-course and completed an apprenticeship as a green-keeper. Despite the physical work all day, the leg stood up to it really well, with support from the Limb Centre when the limb became uncomfortable or worn out. Leisure time was spent surfing (boogie-boarding), snorkelling and beachcombing.*

*On the personal side, Jim married and became a father of two children.*

*Another lifestyle change developed because of back problems, so once again he retrained, this time as a journalist. Now at a desk again, Jim started pool swimming, which he still enjoys three times a week.*

*After three years as a journalist, Jim felt the call of the outdoors again, and worked for several years for the Department of Conservation, which opened up a world of bush walking and tramping. Day and overnight trips were frequent. After three years on Great Barrier Island Jim and family spent a couple of years on Stewart Island. Working in a rugged and isolated environment provided new challenges for an amputee almost daily.*

*With the travelling in his job, Jim became well known at the Limb Centres in Wellington, Auckland and Dunedin. He presented unique challenges that needed to be overcome in order to allow him to continue in the life style of his choice.*

*Jim's message is that losing a limb isn't the end of the line. "You have to learn different ways of doing things and you never stop learning new techniques. I didn't become an All Black or a tight-rope walker, but I have a wonderfully active and varied life with my artificial leg." - Jim*

Such a varied working life – including wear and tear in physical outside jobs – means challenges for staff providing the right kind of limb for the individual to suit changing needs, and involves working closely with the patient.

To realise their potential, amputees require a range of social services and this, as well as being the desire of amputees, is the rationale for the New Zealand Artificial Limb Board to be part of the social development portfolio. The Ministry for Social Development, in addition to its operational functions, has a policy responsibility for investing in social development that enhances the wellbeing of New Zealanders.

In order to ensure its place in the forefront of professional practice and expertise, the New Zealand Artificial Limb Board also initiates and accesses research and development.

Having illustrated the New Zealand Artificial Limb Board Outcomes Framework, this Statement of Intent will cover the limb service's:

- strategic principles
- organisational structure
- operating environment
- services for new amputees
- impacts, outcomes and objectives
- strategic direction and
- statement of forecast service performance.

## Strategic Principles

### Vision

*Independent and productive lives for people with limb loss.*

### Mission

The mission statement of the New Zealand Artificial Limb Board is:

*To deliver prosthetic and rehabilitation services to enable people with limb loss to achieve independence.*

### Outcomes

Outcomes for New Zealand amputees to which the limb service contributes are mobility, independence, quality of life, and employability. Through fitting artificial limbs where applicable, together with appropriate physical therapies, the New Zealand Artificial Limb Board will improve these aspects of an amputee's life compared with their situation at referral, and provide maintenance to that end through their lifetimes.

### Values

The New Zealand Artificial Limb Board, as an organisation is committed to:

- providing high-quality services on an ethical basis, sensitive to the values, needs, culture and expectations of its clients and stakeholders
- promoting the independence<sup>5</sup> of its clients, their inclusion and participation in society, and achieving suitable outcomes for its client base
- respecting the principles of the Treaty of Waitangi<sup>6 7</sup>
- listening and talking frequently, honestly and openly to amputees and other stakeholders to formulate its goals
- co-operative processes facilitated through teamwork
- equality of opportunity in the recruitment and development of staff
- challenging, encouraging and supporting staff in life-long learning and the development and updating of their individual talents
- promoting high organisational standards of ethics and integrity
- encouraging a culture of innovation
- responding to the requirements of Government as expressed through its contracts and in accordance with its role as a Crown Entity.

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<sup>5</sup> NZ Public Health and Disability Act 2000 S3(1)(a)(ii).

<sup>6</sup> op.cit. S4.,.

<sup>7</sup> MOH contract p.6. ACC Contract p. 5-6 .

# New Zealand Artificial Limb Board Organisational Structure

## Legislative Mandate

The New Zealand Artificial Limb Board is constituted under the Social Welfare (Transitional Provisions) Act 1990. It is defined as an autonomous Crown entity under the Crown Entities Act 2004 and is required to comply with the Public Finance Act 1989.

## Functions of the New Zealand Artificial Limb Board

The functions of the New Zealand Artificial Limb Board, as defined by the legislation, are to:

- *manufacture, import, export, market, distribute, supply, fit, repair and maintain, artificial limbs and similar devices*
- *provide rehabilitative and other services to persons in connection with artificial limbs and similar devices*
- *carry out research and development in relation to artificial limbs and similar devices*
- *advise the Minister (for Social Development and Employment) on matters relating to artificial limbs and similar devices.*

The Board is also required under S. 48 of the Social Welfare (Transitional Provisions) Act 1990 to undertake a review of its operations every five years. This is due in August 2011 and the review will be initiated during the 2010-2011 year.

## New Zealand Artificial Limb Board

The portfolio Minister, the Minister for Social Development and Employment, appoints the Board under its legislation. At 31 March 2010, membership was:

<b>Chair</b>	A Graeme Hall	<b>Appointed on the nomination of:</b> Board, New Zealand Artificial Limb Board
<b>Board</b>	Kerry Wilfred-Riley Barry Tietjens Richard Sainsbury Lorraine Peacock <sup>8</sup> Claire Johnstone	Amputees Federation of NZ Inc. NZ Orthopaedic Association Minister of Health

The Board's governance responsibilities include:

- communicating with stakeholders to ensure their views are reflected in New Zealand Artificial Limb Board planning and strategies
- delegating responsibility for achievement of specific objectives to the Chief Executive
- monitoring organisational performance towards achieving objectives
- maintaining effective systems of internal control
- accounting to the Minister for plans and progress against them.

Two changes to the Board have occurred over the last 12 months. G. Lamb retired on 31 May 2009. The Deputy Chair, J. Thompson, retired from 28 February 2010, after serving 12 years on the Board. Both made significant contributions to the New Zealand Artificial Limb Board during their terms, which are gratefully acknowledged.

During the coming year, the Chair, AG Hall, will also retire after 20 years on the Board, 14 as Chair. Succession and Board capability issues will be a focus in the coming year.

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<sup>8</sup> to represent the interests of war amputees.

## Staffing

The Board has appointed a Chief Executive to manage all the New Zealand Artificial Limb Board operations.

An illustration of the current staff structure may be seen in Appendix 1.

## Amputee Services

There are five regional limb centres operating in Auckland, Hamilton, Wellington, Christchurch and Dunedin, and a small national office in Wellington. In addition, regional clinics are held in 12 further centres around the country at regular intervals.

The limb centres each have a clinical and a production function. The clinical aspect includes patient management, reception, waiting rooms, consultation and fitting rooms, walking races, and plaster cast, measuring and Computer Aided Design (CAD) rooms. On the production side, the workshops have facilities for computer aided design and plaster mould modifications, as well as full workshops covering engineering, plastic draping, laminating and leatherwork.

Each centre has a store of limb components. Wellington Limb Centre houses the national store and the CAD carver.

Contracts with the Ministry of Health and the ACC provide the funding for most amputees. The small number of war amputees are funded separately, and a small number of prostheses are provided by private contract. Co-operative relationships are fostered between staff of the Limb Service and District Health Boards, community organisations, and the Amputees Federation of New Zealand.

The spread of the New Zealand Artificial Limb Board's services is shown in the following map:

### New Zealand Artificial Limb Board Services



# The Operating Environment

## Trends

Planning for the future needs to take into account trends that impact on the provision of artificial limbs to amputees. These key trends are listed below and their implications for the New Zealand Artificial Limb Board are more fully developed in the section that follows.

1. Changing **global economic conditions** impact on services:
  - a. overseas exchange rates impact on the costs and the ability to access materials
  - b. staffing availability and costs have organisational capability implications.
2. Changes in **government policy** impact on governance and management responsibilities through an increased focus on value for money, front-line services and managing for outcomes. A contractual basis for funding has been steady for the last 11 years. Funding has not increased significantly, but costs have, leading to constant efficiency measures to maintain services.
3. Changing **service delivery** must reflect changes in legislation, monitoring, service standards, the nature of the services required and the expectations of amputees. Changes to the mode of service delivery have transport, access and technological implications.
4. **Demographic changes**, such as the impact of the ageing population and better treatment balancing increases in levels of diabetes and vascular disorders, need to be included in planning for future services. The ethnic mix and distribution of our population is changing, with a distinct “drift north”.
5. Advances in **technology and rehabilitation** on the one hand lead to greater functionality and mobility for individuals, but on the other hand require that amputees have access to a wider range of services and treatments. Increasing levels of technology incorporated into particular types of limbs put pressure on the service both financially and clinically. Advanced technology usually involves higher materials costs, higher skills levels and therefore more training. Clinicians must balance carefully what is appropriate for individuals and what they may desire, a desire fed often from clients’ knowledge of new technology gained from the promotional propaganda on the internet. These desires could never be fulfilled without huge increases in resources. Advances also apply to technological infrastructure such as IT systems and digital imaging, with associated costs.

The combination of all these trends involves increasing pressure on the limb service’s ability to sustain and enhance its current high levels of service to amputees. The effects of the trends on the agency are outlined below.

### 1 and 2: Global Economic Conditions and Government Policy

The New Zealand Artificial Limb Board is dependent on overseas suppliers of prosthetic components and their relative pricing e.g. exchange rates, and must be constantly vigilant in respect of technical developments and alternative suppliers consistent with maintenance of quality and lead times. The level of the exchange rate is a risk when production is largely dependent on overseas components. Recently a major supplier changed its sourcing from the United States to Australia, which had a positive impact on both exchange rates and lead times for the limb service, as well as reduced stock levels.

Bulk funding is provided from the Ministry of Health contract (administered by the Capital and Coast District Health Board). Small increases in the contract sum were granted over the last four years, following seven years of no increases. During that period labour and material costs have substantially increased, concurrent with the New Zealand Artificial Limb Board making constant improvements and increased service efficiencies.

ACC funding, by comparison, works on a case management model that is immediately responsive to the needs of individual amputees on the basis of restoring them to independence and/or work. The New Zealand Artificial Limb Board charges for actual services provided to the individual.

The Ministry of Social Development also benefits from the New Zealand Artificial Limb Board's effectiveness by gaining good knowledge of the service and its users, by knowing that the needs of amputees are being met and through the greater independence of amputees that reduces their requirements for government-funded income support.

The Government's emphasis on Value for Money and frontline services reflects the emphasis the New Zealand Artificial Limb Board has embedded in its commitment to excellent and individualized services for New Zealand amputees. These services, in turn, result in amputees' ability to live as independently as possible. In order to keep within current funding levels, a continuation of the efforts towards efficient and effective services will be required.

Trying to demonstrate amputee benefits in a measurable way led to the development of a comprehensive outcomes framework that allows the New Zealand Artificial Limb Board to show how it contributes to desirable outcomes for a specific group of New Zealand disabled people - amputees - and their families and whānau. This is addressed in detail in the section on New Zealand Artificial Limb Board Impacts, Outcomes and Objectives.

Prosthetics requires specialist training. There is no national pool of trained staff to call on, which has made recruitment of senior clinical prosthetists difficult, but overseas recruitment is a readily available alternative. Management recognises that there are special considerations in terms of tertiary qualifications, refreshment, professional development, recruitment and retention of qualified staff.

### **3. Service Delivery and Organisational Capability**

To be responsive to the continually changing environment, including policy changes and innovation in the service delivery model, it is important that there are ongoing enhancements to the ways in which the service is delivered. Staff levels and mix are constantly monitored against both production demand and patient loads, with a recent staff level reduction in Wellington. Care must be taken to ensure that changes for staff are gradual and supported with planning, knowledge and by training so that business as usual is not put at risk. Health and safety is a priority and recurring checks are made for compliance with regulations.

Premises must be maintained and, where necessary, upgraded. A major refurbishment of the Auckland Limb Centre occurred in 2006-07, and essential maintenance of the roof for Wellington remains on the workplan. Changes in technology can impact on the way in which premises are used – for example, some plaster-cast rooms have been converted to Tracer CAD<sup>9</sup> rooms.

Regular overview of demand for services can require changes to the number and sites of regional clinics.

Individual needs of amputees vary enormously, depending on their circumstances. The service is needs-focused but must sometimes balance amputees' perceived needs with available funding. The New Zealand Artificial Limb Board's response to demands for special limbs, such as sporting limbs or very high technology limbs, is therefore carefully monitored by the Board for planning purposes.

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<sup>9</sup> Software for computer aided design

## **4. Demographic change**

The impact of demographic changes will make a difference to the profile of amputees who are entitled to the New Zealand Artificial Limb Board's services. An ongoing part of the New Zealand Artificial Limb Board's activities is to monitor trends and profile client demographics. This identifies emerging issues or factors influencing demand for services, and a specific project for planning purposes is planned for the coming year.

Features of the likely trends are:

- the ageing of the population indicates a potential increase in older amputees
- increased longevity means older patients remain active for longer
- advances in medical treatment in key areas such as diabetes may mitigate the impact of potential demographic increases
- the northern parts of the North Island continue to have an increasing proportion of the growing population, and pressure continues on the Hamilton and Auckland Centres
- an increasing range of ethnicities in New Zealand's population means cultural issues will increasingly impact on services, varying according to distribution, e.g. high proportions of Pacific Island groups in the Auckland area.

The combined impact of "baby-boomers" entering the system with older patients remaining on the records for shorter periods will lead to greater turnover of patients than previously. However, the older patients often need increased levels of support and encouragement to become mobile again so that they can remain independent. There are also the complexities of other physical conditions or illnesses. Increasing numbers are in living situations where support staff need training in amputee issues if amputees are to maximise their potential mobility. Physiotherapy input at an early stage is a desirable response to these changes.

## **5. Advances in Technology and Rehabilitation**

There is a steadily increasing level of sophistication in the kinds of components available for limbs, especially in Europe and America where computer driven limbs are more frequently used with related higher costs. New Zealand amputees are well informed about developments overseas through internet access and, as in other areas of high cost health care, tensions arise between what is desirable and what is appropriate for individuals.

The longer life of components also means an increase in replacement of specific parts, rather than the whole limb.

Advances in both IT systems and computer aided design have been introduced into the New Zealand Artificial Limb Board in the last few years. Both forms of technology have significant ongoing service costs, in maintenance and licences.

It is in the nature of IT systems to require constant change, and forward planning is needed to accommodate these changes. This necessitates updates and upgrades to the development tools used to build the New Zealand Artificial Limb Board's computer system (Limbs Information Management System, or LIMS) and the Tracer CAD digital imaging system. In addition, as its needs change, regular amendments are made to improve the New Zealand Artificial Limb Board's efficiency. Technological advances also involve constant upskilling for staff, and often exert financial pressure on the organisation.

## Risk Management

Change is often associated with risk. Risk management assessment is fully integrated within the New Zealand Artificial Limb Board's strategic and operational areas and is not treated as a separate initiative.

Integration occurs through, for example, identifying and responding to risk through:

- formulation of the strategic and business plans, and quarterly reporting against them to the Board
- monthly financial reporting to the Board
- regular monitoring and reviews of policies and procedures
- building risk management into project planning
- audits, and following up on Audit NZ's suggestions for system and policy improvements
- a system of strict adherence to internal delegated authorities
- rigorous health and safety policy and procedures, including a natural disaster plan
- senior management monitoring of prescription of higher cost components
- regular analysis of staffing levels in relation to outputs and productivity data
- a programme of regular IT updates to ensure good infrastructure support.

Monitoring occurs as often as weekly in key areas such as production. Internal reviews are undertaken targeting specific issues. Statistical and financial analysis and trends are regularly reported, including "no surprises" briefings, to funders, the monitoring agency and Minister. Ongoing projects on "lean thinking", waste and stock control contribute to managing the pressures on the Limb Service's financial management.

## Services for New Amputee Referrals

New patient numbers<sup>10</sup> vary from year to year, but approximately 400 new clients present each year. The profile of new patients is different from that of current patients, as it contains a higher percentage of older patients<sup>11</sup> whose amputations have been mainly caused by diabetes or other vascular failure, compared with trauma amputees in the total base.

When new amputees are referred to a limb centre, a team assesses them. The team is made up of a medical specialist, a clinical prosthetist and a physiotherapist and/or occupational therapist, together with input from the amputee. Amputees are welcome to bring support people with them.

The team assesses the amputee's individual needs, home circumstances, and height, weight, general state of health and lifestyle (including occupation, interests and athletic endeavours). Within that context, a customised limb is prescribed.

The clinical prosthetist then proceeds to make a plaster cast of the stump, or makes an electronic image with digital technology. The clinical prosthetist modifies the cast or the electronic image and incorporates the modifications into the socket that will fit over the stump.

The prosthesis, including the socket to fit the stump, is produced in the workshop. The amputee returns for a further fitting. Amputees also receive training and physiotherapy exercises designed to increase and improve functionality and mobility.

The timing of the process varies hugely from amputee to amputee, with unavoidable delays often occurring because of such issues as co-morbidities, slow healing, transport issues, etc.

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<sup>10</sup> A full profile of the current and new patient groups may be seen in Appendix 2.

<sup>11</sup> 64% aged 60+ in 2008-09

It takes some months for a stump to settle down to its permanent shape and size. Commonly, another socket may be needed after a few months and this will involve further fitting and other rehabilitative services. The greater the focus on the comprehensive needs of the amputee at this stage, the greater the likelihood that the amputee will make good use of the new limb, and then continuously improve mobility and functionality.

From then on, the Limb Service looks after repairs and maintenance of the limb and, when circumstances demand, replaces it. The useful life of an individual artificial limb is influenced by the amount of wear on it, which in turn depends on activity levels and/or changes in the amputee's physical condition. Modern components are made of increasingly long-lasting but more expensive materials, and the trend is for limbs to be completely replaced less often than in the past. Often new sockets are made, or a knee or ankle joint is replaced, where once a whole new limb was required. Growing children also require regular replacement limbs.

The New Zealand Artificial Limb Board aims to develop and contribute to an integrated service that provides a continuum of care, from pre-amputation to fitting and ongoing maintenance of prostheses. This includes liaison with other clinical departments and may include referrals to ancillary services such as counsellors, ACC case workers, social workers or other support services to assist with lifestyle issues faced by amputees. It also involves individual programmes of exercise to suit particular amputees.

## **New Zealand Artificial Limb Board Impacts, Outcomes and Objectives**

The Crown Entities Act 2004, passed in December 2004, redefined the role of the NZ Artificial Limb Board as an Autonomous Crown entity, bringing with it a range of legislative requirements such as the need for an outcomes framework and a Statement of Intent. The New Zealand Artificial Limb Board has been working steadily towards these goals for some years and in 2005 undertook a major project with Pricewaterhouse Coopers to identify its key outcome measures and related performance measures.

Outcomes for amputees to which the New Zealand Artificial Limb Board contributes are:

- i. mobility
- ii. independence
- iii. quality of life
- iv. employability

The first and prime outcome of mobility is a key contributor to the remaining outcomes. Mobility impacts on all aspects of people's lives – their ability to move and carry out the ordinary tasks of daily living, health related quality of life, their independence, their ability to work, their recreation and, for the older group, the ability to live independently for as long as possible.

The prime outcome is a direct result of New Zealand Artificial Limb Board services, and our main energies and focus are on mobility. The remainder are indirect outcomes, but are still measurable.

The New Zealand Artificial Limb Board provides a variety of demand-driven outputs in delivery of these outcomes (new and replacement prosthetic limbs, limb repairs, treatment plans, referrals to complementary services, information provision and New Zealand Artificial Limb Board service profile). Because of the demand driven nature of the service, the aim is to have the capability to meet likely demand, based at least on the same outputs as the previous year. In fact, these vary in weighting from year to year, with a steady trend towards fewer new limbs (which last longer than they used to because of more durable componentry) and towards more maintenance and service input. Costs vary widely according to individual activity levels.

As well as internal outputs, the New Zealand Artificial Limb Board has combined responsibilities with other agencies to bring about better outcomes for amputees. For example, it liaises with the Ministry of Health to produce the output of annual amputation statistics of referrals and non referrals. The aim is that hospitals will advise the New Zealand Artificial Limb Board of all amputees, thus maximising the potential for amputees to regain mobility. Notifications will include referrals for assessment, as well as mere notification (e.g. if amputees are clearly unsuitable for fitting or deceased).

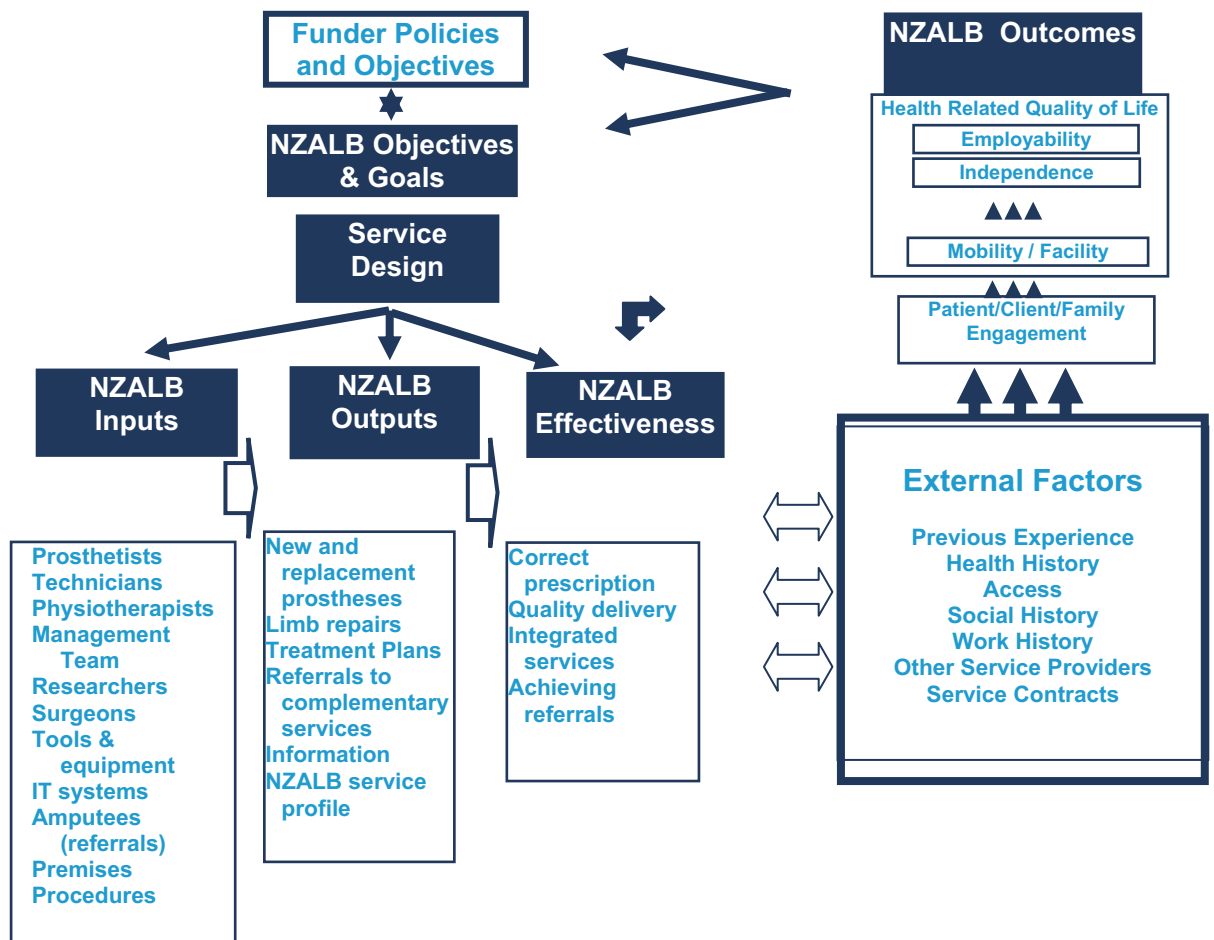
The greater the proportion of notifications and referrals, the more likely it is that every amputee is assisted towards mobility to their individual potential. A data match enables a profile to be derived of the non-referrals. This enables the New Zealand Artificial Limb Board to:

- monitor and be assured that non-referrals occur for good reason
- where there is doubt, follow it up with the hospital/s concerned
- raise awareness of hospital staff of the New Zealand Artificial Limb Board and its services.

Many hospitals have undertaken audits as a result of this work to ensure their referral processes are robust.

Various outputs all contribute to overall engagement with the clients and the other outcomes listed, as illustrated in the model below:

### Service Design of Outcomes Framework



The contribution of outputs to outcomes is demonstrated by the following case study. A measure of outputs is an incomplete picture of what is achieved for clients within the New Zealand Artificial Limb service, partly because the outputs are demand-driven and partly because they all have an impact on the whole outcome for a client. It is therefore more indicative of the service to measure the outcomes themselves. The theoretical case study below illustrates the New Zealand Artificial Limb Board's outputs, shown by italics.

**Martha Ascot, 66, was referred to the Limb Service four years ago, when she had an above knee amputation because of a tumour. Martha had brought up 5 children and her busy home life now includes being actively involved in the lives of her grandchildren.**

**Initially, her referral to the New Zealand Artificial Limb Board team meant that she was seen by a medical specialist, a physiotherapist and a prosthetist for *assessment and fitting*.**

**A *new limb* was prescribed, that took into account her circumstances, health, and activity levels. A comprehensive individual *treatment plan* was developed. This included *exercises* to build up muscle strength, intensive gait training and *referrals for workplace and home assessments* to ensure those environments were adapted for an amputee's needs. As the stump settled down, Mrs Ascot returned to the prosthetist who refitted her with a *new socket* on her artificial limb.**

**The physiotherapist administered *outcome tests* three times during the first year. Mrs Ascot suffered the bereavement of her husband during this time, and one test for quality of life indicated depression. The physiotherapist *referred* Mrs Ascot for counselling, which helped. She made steady progress over the year, measured through mobility and independence testing. At a subsequent *checkup*, an *adjustment* to the limb was made and a further *gait check* made.**

**Mrs Ascot has made such good progress with determination and practice, demonstrated by *outcome measures*, is walking confidently and has even done some dancing with friends at her local club. Despite her amputation, she has resumed a normal life.**

The logic is that the impact of fitting artificial limbs considerably enhances mobility, and mobility is a key factor in independence, quality of life, and employability. Society, as well as the individual, benefits from amputees' increased mobility in that a fully functioning individual is a contributor to society through being independent. The challenge is to measure the impacts of providing the artificial limbs on the outcomes and the following describes how the NZALB conducts its measures.

## **Work to date**

Since the 2006/07 year, the New Zealand Artificial Limb Board has implemented and tested impact measures based around the prime outcomes of mobility, independence, quality of life and employability. Internationally there is no general or professional consensus on an approved *package* of impact measures for amputees, though there are many measures available. The New Zealand Artificial Limb Board is undertaking "leading edge" work in this area.

There are no known equivalents to this *package* elsewhere for comparative purposes. It is emphasised that the first few years have been devoted to implementing and gathering sufficient data to set benchmarks for impact measures<sup>12</sup> against which future variations can be reported. So far, the available results have been averaged to set either the benchmark or the target. In two tests, comparisons have been drawn (see SF-12 data and client satisfaction levels).

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<sup>12</sup> referred to as Key Performance Indicators (KPIs) in previous documents

Significant infrastructure was required in order to provide the information on which impacts could be measured. The New Zealand Artificial Limb Board had to define the information needed, build IT systems to collect it, train staff in the collection process, build reports to provide the basis for analysis, obtain extra physiotherapy hours, and so on.

Impact measure tests were trialled and have been slightly amended during the period since implementation. They were devised to track outcomes on the patient journey.

### Impact Measures

The first two impact measure tests occur during the first year a patient is in the system and measure **mobility** and **independence**. An output measure looks retrospectively at overall client satisfaction with the service, including measuring **employability**.

To measure the impact on individual patients, tests are taken at intervals over the first year. Test 1 is taken approximately a week after fitting, Test 2 at 3-6 months later, Test 3 at a year after Test 1.

*Impact measures during first year.* The first two impact measures track the first vital year of fitting and progress in gaining **mobility** and **independence**. They use a 14 question questionnaire called the Locomotor Capability Index, the LCI-5. Its basis is the World Health Organisation's classification of locomotor disabilities. The index is task-oriented and evaluates the dependence-independence continuum based on empirical grounds. It has been internationally approved as a measure of mobility and independence by the prosthetics profession.

*Impact Measure:* The percentage gain in mobility and independence of primary lower limb amputees over a six month period after the initial limb fitting.

RESULTS: In 2007-08, 67% of new patients completed Tests 1 and 2 and improved their overall median scores from 30 to 42 out of a possible 56 (21% increase<sup>13</sup>).

SHORT TERM BENCHMARK: To equal in 2010 the benchmark average of the last two available years' scores = 24.

MEDIUM TERM TARGET: To gather another year of data to make a total of three years' worth of data in order to set a benchmark.

*Impact Measure:* The level of mobility and independence achieved at 6 months after the initial limb fitting (Test 2) as a percentage of the optimal level of mobility and independence (maximum possible combined score for mobility and independence).

RESULTS: 67%<sup>14</sup> of new patients in 2007-08 completed Tests 1 and 2. The median of Test 2 as a percentage of the maximum possible score for mobility and independence was 75%.

SHORT TERM BENCHMARK: To equal the average of the last two years medians in 2010 = 75.5.

<sup>13</sup> Cf 27% the previous year. The differential was affected by a range of factors including higher rates of deceased, vascular and diabetic patients compared with the previous year, as well as operational issues.

<sup>14</sup> Reasons for not completing measures include e.g. Deceased, Overseas, No longer wearing prosthesis (often for health reasons).

MEDIUM TERM TARGET: To gather another year of data to make a total of three years' worth of data in order to set benchmark.

*Output measure on overall service.* In addition, an output measure targets the whole patient population and asks about their experience of the service in retrospect. Their experience could be a few months or a lifetime of receiving limb services. Amputees who are satisfied with the appearance, weight, comfort and functionality of their prosthetic limbs are more likely to use them in order to be mobile, independent and employable. In turn, this success depends on contributions from a range of aspects of the overall service.

The survey covers this range of services provided, from outputs such as details about individual limbs and quality issues of outputs and services. It includes outcomes such as how long they are wearing their limbs each day, the contribution made by the prosthesis to aspects of daily living – e.g. cooking and cleaning, employment, etc. Once these questions are covered, amputees are asked to rate their satisfaction levels with the overall experience of the service covering the previous three years.

The survey is used as an efficiency and effectiveness tool, to pin-point areas needing attention within the service. It is done once every three years and will be completed again in early 2010.

*Output Measure. Amputee satisfaction with the service as measured by customer satisfaction surveys.*

RESULTS: The 2010 client satisfaction survey revealed that 96% were satisfied with the overall New Zealand Artificial Limb Board service, compared with 92% in the 2007 survey.

BENCHMARK: Over 12 years, four surveys have been held, with satisfaction levels of 92-96%. An average of results over the four years is 94% and this is set as the benchmark. For comparison, overall satisfaction levels of patients with District Health Board services varied from 86%-94%<sup>15</sup>. The NZALB benchmark therefore reflects the higher end of this range.

The client satisfaction survey also helps in providing a quality measure – timeliness of Limb Centres in providing limbs. Pure timeliness measures are inappropriate because most delay factors are beyond the control of the New Zealand Artificial Limb Board (co-morbidities, delayed healing, transport constraints). A more appropriate timeliness measure therefore comes from the amputee's perception of timeliness, as this takes into account such factors.

In addition:

- **Impact Measure - Quality of life.** A 12 question questionnaire (SF-12<sup>16</sup>) was also applied to measure quality of life in new patients in 2007-08 three times over their first year. The questionnaire is divided into two parts, the physical health score and the mental health score. The US norm for both parts is 50.

RESULTS: The physical health score average increased from 34 for Test 1 to 41 (last year 39) for Test 3, levels below the norm and unsurprising given the physical nature of our clients' disability, combined often with other adverse health conditions. The average of the past two years' scores is 40 and is a logical short term target.

The mental health score was 53 for both measures, as it was last year. This is towards the higher end of the range compared with other Australasian SF-12 (52) and SF-36

<sup>15</sup> Hospital Benchmark Information September 2009, NZ Ministry of Health

<sup>16</sup> This and the SF-36 (with 36 questions) are the most widely internationally used health related quality of life measures.

(41-54) surveys for mental health scores<sup>17</sup>. The New Zealand Artificial Limb Board results are likely to reflect the higher number of males and older people in the limb service database. These subgroups scored higher in the mental health scores in two surveys with which we compared our results.

**SHORT TERM BENCHMARK:** To equal the benchmark average of the past two years' scores in 2010-11: physical health score = 40, mental health score = 53.

**MEDIUM TERM TARGET:** To gather another year of data to make a total of three years' worth of data in order to set benchmarks.

- **Output Measure - Quality of Life:** Part of the New Zealand Artificial Limb Board service is physiotherapy care. Limb Service physiotherapists routinely prepare treatment plans for amputees who are assessed for limb fitting. These plans include mobility tests, referrals where needed (e.g. to GPs where there is skin breakdown), goal setting, etc. all of which contribute to the rehabilitation and quality of life of amputees.

In the 2007-08 cohort of new patients, 71% received a mobility test as part of the treatment plan, this figure being a proxy for preparation of treatment plans. This figure was 85%<sup>18</sup> for the previous year and the two figures have been averaged to set the target for next year.

**SHORT TERM BENCHMARK:** 78% of amputees assessed for limb fitting will receive a treatment plan

**MEDIUM TERM TARGET:** To gather another year of data to make a total of three years' worth of data in order to set benchmarks

- **Impact Measure - Employability.** The three yearly client satisfaction survey was used in 2010 to inquire about employability, bearing in mind this is an indirect<sup>19</sup> outcome, but nevertheless mobility plays a significant part in employability.

**RESULTS:** 34% of all respondents were in paid employment (note that only 54% of the total were of working age 16-64 years), of whom 94% considered their limb provided them with the ability to work in employment.

In the 2010 research study, it was decided to collect extra data on this topic. A further quality of life measure included voluntary work undertaken by amputees. The results showed that 19% of amputees contributed to society through voluntary work.

The Limb Service will continue to monitor these results in future surveys.

- **Output Measure** - the New Zealand Artificial Limb Board will collate and analyse the hospital amputation statistics for 2009-10. This output is a quality and efficiency measure that:
  - enables the New Zealand Artificial Limb Board to monitor the referrals and non-referrals of individual hospitals
  - provides a data match with the Ministry of Health that has led to half of NZ hospitals auditing their referrals of amputees and improving referral procedures<sup>20</sup>

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<sup>17</sup> *Quality of Life in South Australia* as Measured by the SF-12 Health Status Questionnaire, Department of Human Services, South Australia, March 2004; *Taking the Pulse*, the 1996/97 New Zealand Health Survey, Department of Health, 1999

<sup>18</sup> Timed Up and Go Test, Test 1. The differential was affected by a range of factors including higher rates of deceased patients and an increase in notifications/referrals compared with the previous year, as well as operational issues.

<sup>19</sup> Indirect in the sense that the New Zealand Artificial Limb Board has no direct responsibility for employment of amputees, but artificial limbs do contribute to their employability.

<sup>20</sup> Audits so far have indicated that when hospitals decide not to refer, this is for good reason - usually patients have died, or have above knee amputations combined with high levels of co-morbidities or age-related frailties that indicate they are unsuitable for fitting with artificial limbs

- provides annual amputee statistics for research and assessing trends, such as the incidence of above-knee and below-knee surgery, and the impact of the ageing population on the prosthetics service for planning purposes

Overall, the New Zealand Artificial Limb Board's experience of the outcome measures project is that there have been positive outcomes for individual amputees as a result of the work achieved. Over time, as more data builds up, it will be possible to assess whether this translates into ongoing and meaningful annual aggregated *organisational* measures. This is pioneering work in the world of prosthetics and will require more research to evaluate its success.

The overall value of the exercise for individual amputees is undoubted, as testing has provided motivation for patients, an extremely useful clinical tool for clinicians, and a means of identifying mental health issues in patients that need referral, to name but a few of its results. From an organisational point of view, there have been enhancements to referral processes in hospitals, and it has provided a consistent way of measuring patients around the country. The outcomes project has achieved overall gains that were never anticipated when it was started.

## Summary of Impact Measures

A summary of the impact measures appears below.

Focus	Impact Measure	Benchmark or Target
Mobility and independence	<p><i>The percentage gain in mobility and independence of primary lower limb amputees over a six month period after the initial limb fitting:</i></p> <p>The overall median scores of new patients who complete Tests 1 and 2 of the Locomotor Capability Index improve over six months by at least:</p>	24% (average of last 2 years)
Mobility and independence	<p><i>The level of mobility and independence achieved by new patients at 6 months after the initial limb fitting</i></p> <p>the median scores achieved after 6 months as a percentage of the optimal level of mobility and independence will be at least</p>	75.5% (average of last 2 years)
Health related quality of life	<p><i>Measured by SF-12<sup>21</sup> health survey:</i></p> <ul style="list-style-type: none"> <li>○ The physical health scores average:</li> <li>○ The mental health scores average:</li> </ul>	<p>40 (average over last 2 years)</p> <p>53 (average scores over last 2 years)</p>
Employability	<p><i>This measure is undertaken only every three years: through client satisfaction survey</i></p> <p>Monitor extent to which artificial limb fitting contributes to amputees' participation in paid employment and voluntary work</p>	<p>Monitoring:</p> <p>94% of amputees in paid employment considered their limb provided them with the ability to work in paid employment</p> <p>19% were involved in voluntary work</p>

<sup>21</sup> Short Form Health Survey, a 12 question survey divided into physical health and mental health sections

## Outcomes in other Health areas

The New Zealand Artificial Limb Board also contributes to a broad area of public good in other areas of the health system e.g. through providing the following outputs:

- training sessions for nurses, theatre staff, physiotherapists, occupational therapists and medical specialists/registrars at District Health Boards throughout the country on care of amputees.
- background information for introductory packs to all new amputees presenting at hospitals, both before and after amputation
- training courses for ACC case managers on amputee care and related issues
- other resources, including research reports and posters on bandaging and applying rigid removable dressings, which have been widely distributed nationally to assist those having involvement with amputees in e.g. hospitals, and other places of residence.
- placements for students in related health professions to widen their knowledge of amputee care
- courses on care of amputees for ancillary care workers, such as paramedics, diabetes nurses, etc.

We will retain the target for the 2010-11 year, first set in 2009/10, to deliver a total of 20 training sessions to allied health professionals. In addition, we will monitor attendance, and measure their satisfaction levels in terms of skills enhancement. This will in due course lead to the setting of benchmarks.

## Cost Effectiveness

In line with the government's priorities and efficient and effective health sector, and value for money, the New Zealand Artificial Limb Board will continue its ongoing work towards these ends. In 2010-2011 it has undertaken to:

*Stock:* continue to reduce stock:

- The maximum material stock holding will not exceed the benchmark of \$850,000
- Average stock turnover will be no less than 3:2 per year
- Maximum value of material writeoff will not exceed 3% of total holding

*Staff:* closely monitor staffing levels while maintaining organisational capability:

- progress against the benchmark of 47.5 FTEs
- reduce leave balances of staff. Only 6% of staff will have leave balances above 30 days by 30 June 2011

A summary of cost effectiveness and output measures appear in the Statement of Service Performance.

## **Strategic Directions for New Zealand Artificial Limb Board's Operations**

In order to achieve the outcomes listed in the previous chart, the Board has set objectives for the next three-five years. These reflect both its intended outcomes and its approach to gain knowledge from evidence-based monitoring of how best to achieve these outcomes.

### **A Services to amputees and other clients**

**The New Zealand Artificial Limb Board will provide a high quality rehabilitative service to people with limb loss by:**

- (i) prescribing, constructing, fitting and servicing appropriate prostheses**
- (ii) contributing to amputee rehabilitation by working with other health service providers to develop greater expertise in amputee issues.**

The New Zealand Artificial Limb Board considers that its rehabilitative services continue to be of high quality, and address the needs of individuals and their families. Its core service is the provision of prostheses and rehabilitative services that are quite specific to individual amputees. Services include ongoing monitoring and a preventative maintenance programme that includes regular call-ups.

Each prosthesis is prescribed in consultation with the amputee by a team consisting of a surgeon, prosthetist, physiotherapist and/or occupational therapist. Each prosthesis is unique to the individual amputee. The prosthesis should provide the maximum attainable level of comfort and function.

The prosthesis is constructed using internationally approved materials, methods and components selected to match the needs of the individual amputee.

The New Zealand Artificial Limb Board aims to develop and contribute to an integrated service that provides a continuum of care, from pre-amputation to fitting and ongoing maintenance of prostheses. This may include referrals to ancillary services such as counsellors, ACC case workers, social workers or other support services to assist with lifestyle issues faced by amputees.

To achieve quality rehabilitative services, the New Zealand Artificial Limb Board operates as an efficient and effective enterprise with efficient and effective business practices, and appropriate internal monitoring and reporting practices. For example, as a quality measure and to ensure correct prescriptions are applied to match individual need, all jobs over \$1,000 are signed off by managers.

The New Zealand Artificial Limb Board recognises that, as a single national provider and in the absence of competitive pressures, it needs to exercise economy and provide value for money. It achieves this through improving efficiency and effectiveness in its business practices.

It must also incorporate trends into its planning, such as changes in demographics and health care to lessen risks to future service provision. During the 2010-11 year, the Board will profile client demographics to identify emerging issues or factors influencing demand for services in the next five years.

The Board recognises a duty to ensure that quality standards remain internationally comparable by ongoing liaison with overseas contacts and a proactive approach to sharing information on new developments. The New Zealand Artificial Limb Board has responsibilities to Government to develop, research and maintain outcome measures that reflect its achievements in delivering good quality services to people with limb loss.

The New Zealand Artificial Limb Board contributes to the public good in the wider health arena through its contributions to research and training. This will continue in areas such as statistics, rehabilitation services and training of health professionals in District Health Boards and ACC case managers, and will make up a programme agreed with the Minister for Social Development and Employment.

Special requests are catered for from time to time, such as the New Zealand Artificial Limb Board and Paralympics New Zealand/SPARC entering into a Memorandum of Understanding to facilitate the participation of amputee athletes at events such as the Paralympic Games. The IPC Athletics World Championships are to be held in Christchurch in January 2011, and the New Zealand Artificial Limb Board will also contribute to the technical support for this event as it did at the Beijing Paralympics in 2008.

## **B. Resources and Staff**

### **The New Zealand Artificial Limb Board will manage and enhance resources and skills to provide quality services in a changing environment.**

The New Zealand Artificial Limb Board is client-focussed. It has good relationships and shares information with its stakeholders, with whom it works co-operatively. It reports on a quarterly basis to funders of New Zealand Artificial Limb Board services. The delivery of services in ways that are sensitive to specific cultures is vital to the high quality service to which it aspires.

In order to provide support and infrastructure, including buildings and equipment, the New Zealand Artificial Limb Board needs to ensure adequate funding through its contracts with ACC and the Ministry of Health to maintain, enhance and develop its services.

Premises must be maintained in good order. A major overhaul of the Auckland Limb Centre in recent years has modernised its facilities. Ongoing difficulties with the roof in Wellington Centre need resolution and an upgrade is required. <sup>22</sup>During the 2010-11 year, the New Zealand Artificial Limb Board will work with the Ministry for Social Development to develop a property management plan to ensure that the Board's limb centres are delivering the best front-line services possible to amputees, while providing the most efficient use of resources.

The New Zealand Artificial Limb Board, as a good employer, is aware of the seven key elements of good employer status, and has an Equal Employment Opportunities plan. All elements are covered in the plan, with highest priorities for the year given to specific tasks that contribute to leadership, recruitment and selection, and employee development. Flexible and part-time work hours are increasingly an accepted part of the New Zealand Artificial Limb Board's staffing structure.

For a single national provider, a critical issue is developing the capability of the current and future workforce. Current training programmes ensure that staff are kept up-to-date with overseas developments and technology, as well as providing staff study development. Traditionally, technicians have developed and been trained as prosthetists, thus combining technical and clinical skills. The New Zealand Artificial Limb Board has participated in trying to establish a tertiary level degree course in New Zealand, but it has not proved to be economically viable.

La Trobe University in Melbourne is continuing to develop its prosthetics and orthotics course in a direction that makes it more accessible to overseas students. The New Zealand Artificial Limb Board will continue its close contacts with La Trobe and continue providing placements for La Trobe's students.

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<sup>22</sup> Management of the Board's properties has been complicated by ownership issues. Some limb centres are owned by the Ministry of Social Development and situated on land administered by particular District Health Boards. This has made it more complex to take decisions on such matters as maintenance and renovation.

Currently, the New Zealand Artificial Limb Board is regularly approached by experienced, qualified, overseas prosthetists wishing to work in New Zealand, and recruitment is not of serious concern.

## **C Monitoring and Evaluation**

**The New Zealand Artificial Limb Board will provide monitoring and evaluation, and initiate research and development to ensure the New Zealand Artificial Limb Board is in the forefront of professional practice and expertise.**

The Board recognises the importance of technological progress and the need for continuing to update its knowledge of developments and production methods overseas. It recognises also that there are aspects of professional practice, procedures and personal skills that benefit from continuing review and research. It acknowledges the potential of the New Zealand Artificial Limb Board to adapt overseas innovations to the New Zealand environment and encourages staff to do so. A formal write-up of the content of conferences attended is disseminated amongst all staff to share updates and new technology, which flow on to amputees.

The New Zealand Artificial Limb Board can best serve its amputee clients by being energetic and innovative, and being recognised accordingly. It will ensure that it provides information, assistance and advice to amputees in a range of ways using technology<sup>23</sup>.

It has developed a programme for building a positive perception of the service in the eyes of the public and stakeholders, nationally and internationally. It will take opportunities to present itself to the outside world as practising a scientifically-based craft to enhance the lives of amputees.

## **Consultation and Reporting to the Responsible Minister**

The Chair of the New Zealand Artificial Limb Board will continue to report regularly to its portfolio Minister, the Minister for Social Development and Employment, in addition to regular meetings. This will be in line with a Memorandum of Understanding between the Minister and the New Zealand Artificial Limb Board.

Regular reporting will focus on delivery of outputs and financial management against the Statement of Service Objectives and budget, and key developments, organisational capability issues and upcoming events.

In addition, the New Zealand Artificial Limb Board is required by the Crown Entities Act 2004 (S.150) to provide the Minister with an Annual Report on its operations for each year.

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<sup>23</sup> eg. website links, e-mail, etc.

## Statement of Responsibility

The New Zealand Artificial Limb Board is an Autonomous Crown entity under the Crown Entities Act 2004 with its role established under the Social Welfare (Transitional Provisions) Act 1990 to:

- manufacture, import, export, market, distribute, supply, fit, repair and maintain, artificial limbs and similar devices
- provide rehabilitative and other services to persons in connection with artificial limbs and similar devices
- carry out research and development in relation to artificial limbs and similar devices
- advise the Minister (for Social Development and Employment) on matters relating to artificial limbs and similar devices.

The management personnel of the New Zealand Artificial Limb Board are responsible for the preparation of the Statement of Intent and prospective financial statements, including the assumptions on which the financial statements are based.

The prospective financial statements have been prepared in accordance with NZ IFRS. The New Zealand Artificial Limb Board does not intend to update and republish the prospective financial statements.

The prospective financial statements have been developed for the purpose of tabling the New Zealand Artificial Limb Board's intentions in Parliament, and should not be relied upon by any other party for any alternative purpose without the express written permission of the New Zealand Artificial Limb Board. Actual results will be published in the Annual Report to Parliament, are likely to be different from the prospective financial statements and the variation may be material.

We have authorised the issue of the financial statements on this day, 5 May 2010.



A G Hall  
Chair



Board Member

## Statement of Forecast Service Performance

### Key Tasks for 2010-11

*Output Class.* The New Zealand Artificial Limb Board operates under one output class: Provision of prosthetic and rehabilitation services to New Zealand's amputees. Funding is provided primarily through contracts with the Ministry of Health and ACC (refer p. 10).

During the 2010-11 year, the New Zealand Artificial Limb Board intends to achieve the following key tasks towards the New Zealand Artificial Limb Board's objectives. It should be noted that the majority of the deliverables are included in Objective 1, as the large proportion of the organisation's work is devoted to "business as usual" activity of providing services to amputees.

#### The New Zealand Artificial Limb Board will:

##### Objective 1

- **assist New Zealand amputees by providing a high quality rehabilitative service through:**
  - **prescribing, constructing, fitting and servicing appropriate prostheses**
  - **contributing to amputee rehabilitation by working with other health service providers to develop greater expertise in amputee issues.**

#### Output Measures

Focus	Output Measure	
<i>Capacity</i>	Organisational capacity to make, fit and service prostheses to at least the same level as in previous years:	
	<b>Actual 2009</b>	<b>Actual 2008</b>
	New Limbs Supplied	828
	Remodels	174
	Resockets	421
	Servicing Jobs	9,157
		830
		263
		386
		9,399
<i>Receipt of treatment plans</i>	The percentage of new primary, lower limb adult amputees who receive treatment plans by limb service physiotherapists <sup>24</sup> will be at least:	78% (average of last 2 years)
<i>Quality measure re timeliness of limbs supplied</i>	The percentage of clients who are satisfied with the timeliness of the limbs supplied, as measured via the three yearly client satisfaction survey, will be at least	92% (average of 2 surveys <sup>25</sup> )
<i>Amputee satisfaction with the service</i>	The percentage of clients who are satisfied with the service will be at least	94% or more <sup>26</sup> (average of 4 surveys)

<sup>24</sup> Proxy for treatment plan: Of base population, those tested for Measure 1 of the Timed Up and Go Test.

<sup>25</sup> Questions on timeliness asked in 2007 and 2010

<sup>26</sup> Survey completed only every three years.

## Cost Efficiency Measure

Focus	Cost Effectiveness Measure	Benchmark or Target
<i>Stock management</i>	<p>To optimise the way in which the organisation holds inventory by working with overseas suppliers to</p> <ul style="list-style-type: none"> <li>○ customise procurement process</li> <li>○ maximise efficiency</li> <li>○ reduce losses incurred due to shelf life and obsolescence</li> </ul>	<p>Benchmarks:</p> <p>Maximum material stock holding not to exceed \$850,000</p> <p>Average stock turnover to be no less than 3.2 times per year</p> <p>Maximum value of material write off not to exceed 3% of total holding.</p>

## Objective 2

- **Manage and enhance resources and skills to provide quality services in a changing environment.**

## Output Measure

Focus	Output Measure	Benchmark or Target
<i>Working co-operatively with other agencies</i>	With the Ministry of Health, collate and analyse annual hospital amputations statistics, including referrals and non-referrals	Production of Hospital Amputations Statistics 2009-10 report
	With Paralympics NZ/SPARC, provide technical support for the IPC World Athletics Games in Christchurch, January 2011	Technical support provided <sup>27</sup> .

<sup>27</sup> At the time of printing, it was unclear as to the nature and extent of support to be provided. Details of outputs will be provided in the Annual Report

## Cost Efficiency Measure

Focus	Cost Efficiency Measure	Benchmark or Target
<i>Management of staffing level</i>	Actively manage full-time equivalent (FTE) staff numbers, capped at 2009 levels whilst maintaining organisational capability	Progress against Benchmark of 47.5 FTEs
<i>Reduction of accumulated leave</i>	To reduce the proportion of staff with outstanding accumulated leave balances in excess of 30 days	Benchmark: 6% of staff will have leave balances above 30 days by 30 June 2011  (11% : 30 June 2009)

### Objective 3

- **Initiate and access research and development to ensure the New Zealand Artificial Limb Board is in the forefront of professional practice and expertise.**

### Output Measure

Focus	Output Measure	Benchmark or Target
<i>Service to amputees: enhancement through product and staff development: research, shared ideas and new information</i>	Deliver 20 training sessions to allied health professionals, to monitor attendance, and to measure their satisfaction levels in terms of skills enhancement. This will enable the setting of benchmarks in the future	20 training sessions Collect data to measure satisfaction levels in upskilling, to set benchmarks in future

## Financial Performance

Output Class:	Estimated		Budgeted 2011	Budgeted 2012	Budgeted 2013
	Budgeted 2010	Actual 2010			
<i>Provision of prosthetic and rehabilitation services</i>	\$000	\$000	\$000	\$000	\$000
<b>Income</b>					
Revenue from Crown	7,654	7,398	7,398	7,398	7,398
Interest Income	97	140	162	220	274
Other revenue	92	112	106	109	112
<b>Total income</b>	<b>7,843</b>	<b>7,650</b>	<b>7,666</b>	<b>7,727</b>	<b>7,784</b>
<b>Expenditure</b>	<b>7,746</b>	<b>7,415</b>	<b>7,504</b>	<b>7,667</b>	<b>7,856</b>
<b>Net surplus/(deficit)</b>	<b>97</b>	<b>235</b>	<b>162</b>	<b>60</b>	<b>(72)</b>

## PROSPECTIVE FINANCIAL STATEMENTS

*for the year ending 30 June 2011*

### Prospective Statement of Comprehensive Income

*for the year ending 30 June 2011*

	Budgeted 2010 \$000	Estimated Actual 2010 \$000	Budgeted 2011 \$000
<b>Income</b>			
Revenue from Crown	7,654	7,398	7,398
Interest income	97	140	162
Other revenue	92	112	106
<b>Total revenue</b>	<b>7,843</b>	<b>7,650</b>	<b>7,666</b>
<b>Expenditure</b>			
Personnel	3,119	3,132	3,155
Operating	4,228	3,926	3,995
Depreciation	155	142	164
Rehabilitation	145	110	112
Training & Research	99	105	78
<b>Total expenditure</b>	<b>7,746</b>	<b>7,415</b>	<b>7,504</b>
<b>Net surplus/(deficit)</b>	<b>97</b>	<b>235</b>	<b>162</b>

**Prospective Statement of Changes in Equity**  
*for the year ending 30 June 2011*

	Budgeted 2010 \$000	Estimated Actual 2010 \$000	Budgeted 2011 \$000
Operating surplus/(deficit)	97	235	162
<b>Total recognised revenues and expenses for the period</b>	<b>97</b>	<b>235</b>	<b>162</b>
<b>Public equity as at 1 July 2008</b>	<b>5,971</b>	<b>5,819</b>	<b>6,054</b>
<b>Public equity as at 30 June 2009</b>	<b>6,068</b>	<b>6,054</b>	<b>6,216</b>

**Prospective Statement of Financial Position**  
as at 30 June 2011

	Budgeted 2010 \$000	Estimated Actual 2010 \$000	Budgeted 2011 \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3,799	2,877	3,079
Debtors and other receivables	553	569	581
Prepayments	35	31	34
Inventory	1,200	970	870
Investments		1,266	1,325
<i>Total current assets</i>	<b>5,587</b>	<b>5,713</b>	<b>5,889</b>
<b>Non-current assets</b>			
Property, plant and equipment	1,203	1,185	1,111
Intangible assets	34	39	65
<i>Total non-current assets</i>	<b>1,237</b>	<b>1,224</b>	<b>1,176</b>
<b>Total assets</b>	<b>6,824</b>	<b>6,937</b>	<b>7,065</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	426	413	406
Employee entitlements	210	234	225
Accruals salaries	25	161	140
<i>Total current liabilities</i>	<b>661</b>	<b>808</b>	<b>771</b>
<b>Non-current liabilities</b>			
Employee entitlements	95	75	78
<i>Total non-current liabilities</i>	<b>95</b>	<b>75</b>	<b>78</b>
<b>Total liabilities</b>	<b>756</b>	<b>883</b>	<b>849</b>
<b>Net Assets</b>	<b>6,068</b>	<b>6,054</b>	<b>6,216</b>
<b>Equity</b>			
General funds	3,870	3,877	4,040
Board created reserves	2,198	2,177	2,176
<b>Total equity</b>	<b>6,068</b>	<b>6,054</b>	<b>6,216</b>

**Prospective Statement of Cash Flows**  
for the year ending 30 June 2011

	Budgeted 2010 \$000	Estimated Actual 2010 \$000	Budgeted 2011 \$000
<b>Cash flows from operating activities</b>			
Receipts from Crown revenue	7,638	7,380	7,388
Interest received	97	143	162
Receipts from other revenue	90	112	106
Payments to suppliers	(4,478)	(3,878)	(4,093)
Payments to employees	(3,113)	(3,130)	(3,182)
Goods and services tax (net)	(2)	4	(5)
<b>Net cash from operating activities</b>	<b>232</b>	<b>631</b>	<b>376</b>
<b>Cash from investing activities</b>			
Receipts from sale of property, plant and equipment	-	-	-
Acquisition of investments	-	(791)	(59)
Purchase of property, plant and equipment	(117)	(108)	(75)
Purchase of intangible assets	(30)	(33)	(40)
<b>Net cashflow from investing activities</b>	<b>(147)</b>	<b>(932)</b>	<b>(174)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>85</b>	<b>(301)</b>	<b>202</b>
Cash and cash equivalents at the beginning of the year	3,714	3,178	2,877
<b>Cash and cash equivalents at the end of the year</b>	<b>3,799</b>	<b>2,877</b>	<b>3,079</b>

## **Statement of accounting policies for the Year ending 30 June 2011**

The New Zealand Artificial Limb Board is a Crown entity as defined by the Crown Entities Act 2004 and is domiciled in New Zealand. As such, the New Zealand Artificial Limb Board's ultimate parent is the New Zealand Crown.

The New Zealand Artificial Limb Board's primary objective is to provide public service to the New Zealand public, as opposed to that of making a financial return.

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

### **Statement of Compliance**

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

The prospective financial statements comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

New Zealand Artificial Limb Board is a qualifying entity under the Framework of Differential Reporting as it is not deemed publicly accountable for this purpose and is a small entity.

### **Functional and presentation currency**

The prospective financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of the New Zealand Artificial Limb Board is New Zealand dollars.

### **Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these prospective financial statements.

The measurement base applied is historical cost. The accrual basis of accounting has been used unless otherwise stated.

### **Judgements and estimates**

The preparation of these prospective financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue and expenses.

These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgements that have significant effect on the prospective financial statements and estimates with a significant risk of material adjustment in the next year are discussed in notes to the prospective financial statements on page 41.

## **Revenue**

### *Revenue from the Crown*

The New Zealand Artificial Limb Board principally derives its revenue from the Crown through contracts with the Ministry of Health and ACC for services to third parties. The funding is restricted in its use to the purpose of meeting the New Zealand Artificial Limb Board's objectives as specified in the statement of intent.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

### *Interest*

Interest income is recognised using the effective interest method. Interest income on an impaired financial asset is recognised using the original effective interest rate.

### *Provision of services*

Revenue derived through the provision of services to third parties is recognised upon completion at the balance sheet date.

## **Leases**

### *Operating leases*

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

## **Grant expenditure**

Discretionary grants are those where the New Zealand Artificial Limb Board has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the board and the approval has been communicated to the applicant.

## **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks both domestic and international, other short-term, highly liquid investments, with original maturities of three months or less and bank overdrafts.

## **Debtors and other receivables**

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

Impairment of a receivable is established when there is objective evidence that the New Zealand Artificial Limb Board will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the debtor is impaired. The

amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the prospective statement of financial performance. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due).

## **Investments**

At each balance sheet date the New Zealand Artificial Limb Board assesses whether there is an objective evidence that an investment is impaired.

### *Bank deposits*

Investments in bank deposits are initially measured at fair value plus transaction costs. After initial recognition investments in bank deposits are measured at amortised cost using the effective interest method. For bank deposits, impairment is established when there is objective evidence that the New Zealand Artificial Limb Board will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into bankruptcy, and default in payments are considered indicators that the deposit is impaired.

## **Inventories**

Inventories are held for the provision of services and measured at the lower of cost (calculated using the weighted average cost method) and current replacement cost. Where inventories are acquired at no cost or for nominal consideration, the cost is the current replacement cost at the date of acquisition. Inventories include stock on hand and work in progress.

Inventories in work in progress are valued at the weighted average cost at the time they were used. Labour is included at cost.

The write-down from cost to current replacement cost or net realisable value is recognised in the prospective statement of financial performance in the period when the write-down occurs.

## **Accounting for foreign currency transactions**

Foreign currency transactions are translated into New Zealand dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the prospective statement of financial performance.

The New Zealand Artificial Limb Board does not currently use forward exchange contracts to hedge exposure to foreign exchange risk.

## **Property, plant and equipment**

Property, plant and equipment asset classes consist of leasehold improvements, plant and equipment, furniture and fittings and computer equipment.

Property, plant and equipment are shown at cost, less any accumulated depreciation and impairment losses.

### *Additions*

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

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

### *Disposals*

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

### *Subsequent costs*

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

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

### *Depreciation*

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Leasehold Improvements	4.75 to 50 years	(2%-21%)
Plant and equipment	10 years	(10%)
Furniture and fittings	5 years	(20%)
Computer equipment	3 years	(33%)

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

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

## **Intangible assets**

### *Software acquisition and development*

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

Costs that are directly associated with the development of software for internal use by the New Zealand Artificial Limb Board, are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of overheads. Staff training costs are recognised as an expense when incurred.

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

Costs associated with the development and maintenance of the New Zealand Artificial Limb Board's website are recognised as an expense when incurred.

### *Amortisation*

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

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

Acquired computer software	5 years	(20%)
Developed computer software	5 years	(20%)

### **Impairment of non-financial assets**

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

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

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the prospective statement of financial performance.

For assets not carried at a revalued amount, the total impairment loss is recognised in the prospective statement of financial performance.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the prospective statement of financial performance, a reversal of the impairment loss is also recognised in the prospective statement of financial performance.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the prospective statement of financial performance.

### **Creditors and other payables**

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

### **Employee entitlements**

#### *Short-term employee entitlements*

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

These include salaries and wages accrued up to balance date, annual leave earned, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

### *Sick Leave*

The New Zealand Artificial Limb Board recognises a liability for sick leave to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date; to the extent the New Zealand Artificial Limb Board anticipates it will be used by staff to cover those future absences.

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

### *Long-term employee entitlements*

Long service leave entitlements that are payable beyond 12 months have been calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

The discount rate is based on the weighted average of interest rates for government stock with terms to maturity similar to those of the relevant liabilities. The inflation factor is based on the expected long-term increase in remuneration for employees.

## **Superannuation schemes**

### *Defined contribution schemes*

Obligations for contributions to Kiwisaver and the New Zealand Artificial Limb Board Superannuation Scheme are accounted for as defined contribution superannuation scheme and are recognised as an expense in the prospective statement of financial performance as incurred.

### *Defined benefit schemes*

The New Zealand Artificial Limb Board makes contributions to the DBP Contributors Scheme (the scheme), which is a multi-employer defined benefit scheme.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

## **Provisions**

The New Zealand Artificial Limb Board recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

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

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

## **Income Tax**

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

## **Prospective financial statement disclosures**

The New Zealand Artificial Limb Board has complied with FRS 42 in the preparation of these prospective financial statements, and they have been prepared pursuant to the requirements of the Crown Entities Act 2004.

### *Cautionary note*

The prospective financial statements may not be appropriate for any other purpose than that described above. Actual financial results achieved for the period covered are likely to vary from the information presented in the prospective financial statements, and the variations may be material.

### *Changes in accounting policies*

For reporting periods commencing after 1 January 2007 the New Zealand Artificial Limb Board is required to apply NZ IFRS. The New Zealand Artificial Limb Board has applied all NZ IFRS that are applicable at the date of preparation of these prospective financial statements.

## **Significant assumptions used**

The New Zealand Artificial Limb Board has used the best information that was available at the time these prospective financial statements were prepared to determine the assumptions and information used in their preparation.

## **Revenue**

Supply of services has been projected using historical data maintaining the New Zealand Artificial Limb Board's current level of service. No increase has been applied to the Ministry of Health contract and labour cost/material cost increases have been applied to historical data as per the following assumptions.

## **Personnel costs**

There is no provision for increase of full time equivalents in 2010-11 year.

## **Currency risk**

The New Zealand Artificial Limb Board limits the risk of loss through fluctuating overseas currency exchange rates by operating where possible on a cost plus charge out policy for the supply of services.

## **Operational costs**

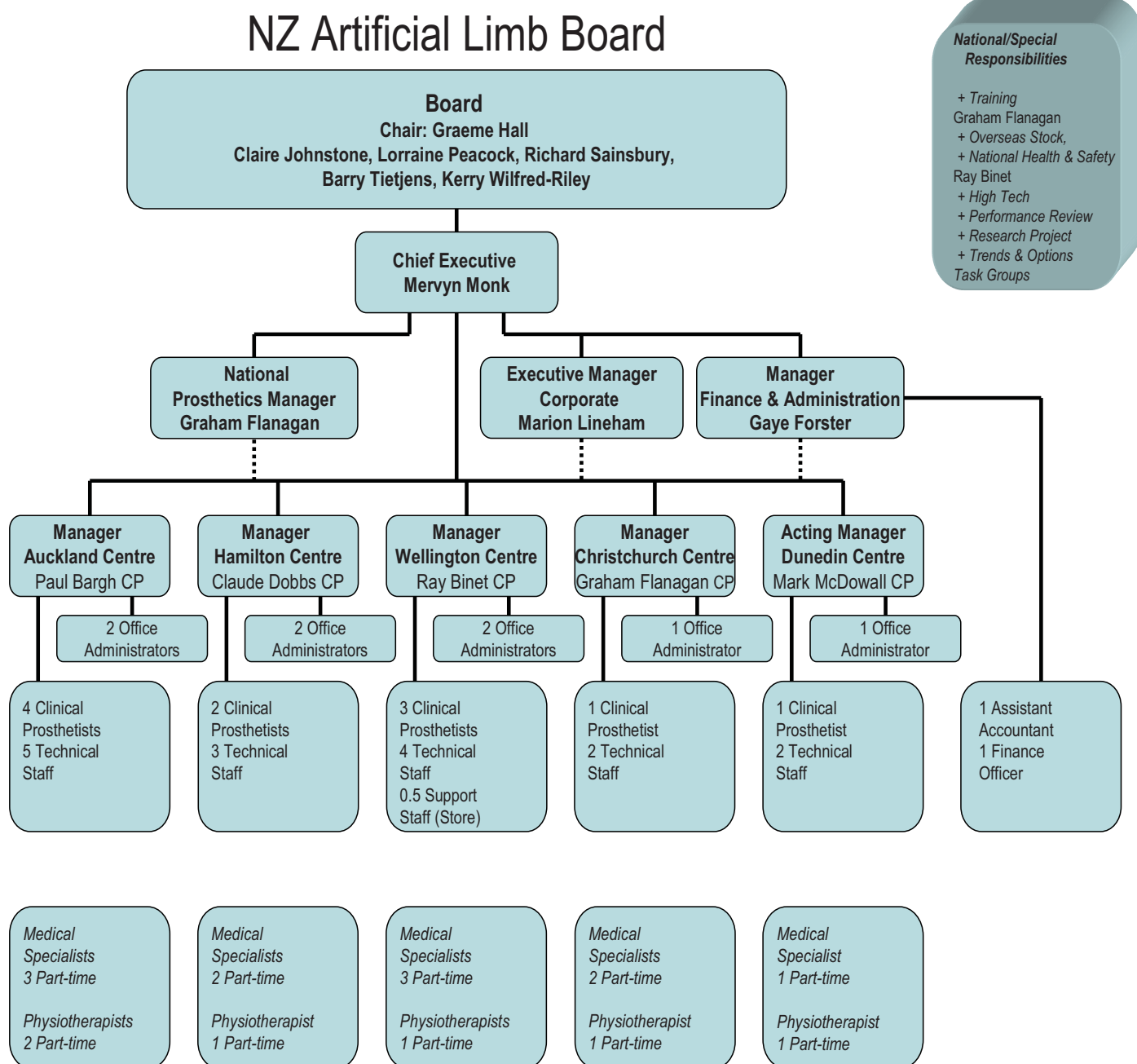
The New Zealand Artificial Limb Board continues to improve efficiency and effectiveness in its business practices. However, provision has been made for increases in operational expenditure where movements are expected due to inflationary pressure.

## **Capital expenditure**

There is no major capital expenditure projected for 2010-2011.

## Appendix 1: Staffing

The Board directs the Chief Executive by delegating responsibility and authority for the achievement of objectives through setting policy. Board members with specific expertise provide mentoring and advice as appropriate. The following structure applied as at 31 March 2010.



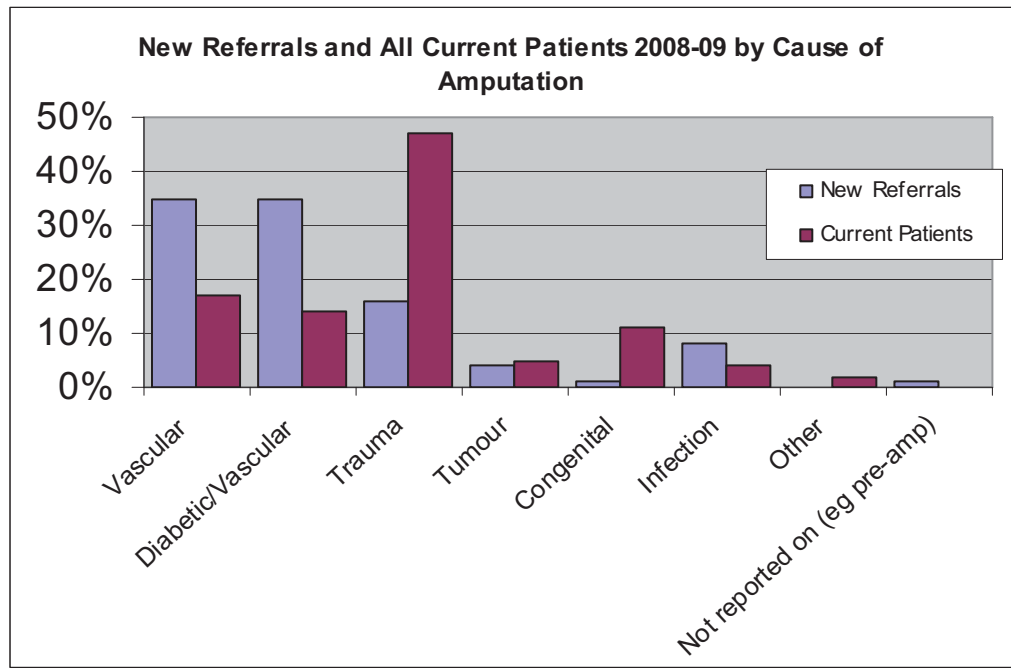
## **Appendix 2: Profile of Amputees**

Two profiles of amputees are provided – those for new amputees in 2008-09 and those for the entire data base. The profiles vary considerably in the distributions of age and cause of amputation.

### ***Profile of New Patients***

New patients vary from year to year, but approximately 400 or so present each year. The profile of new patients differs from that of current patients in that it contains a higher percentage of older patients whose amputations have been mainly caused by diabetes or other vascular failure.

The following graph shows the percentages of amputation causes for new patients for the 2008-09 year, as well as amputations for all current patients as at 30 June 2009. The main cause of amputations for new patients were: vascular 35%, diabetes/vascular 35%, while trauma caused 16% of amputations for this year. This differs considerably from the main causes of amputations for current patients on the database at June 2009 which were trauma (47%), followed by vascular (17%) and diabetes/vascular (14%).



### ***Profile of Amputees on the data base as at 30 June 2009***

As at 30 June 2009, the group of 4,384 current patients on the New Zealand Artificial Limb Board data base was made up of 74% males, and 26% females. In ethnicity, 74% were New Zealand European, 13% Maori, and 7% were from the Pacific Islands. A variety of other ethnic backgrounds made up the remaining 6%.

# NEW ZEALAND ARTIFICIAL LIMB BOARD

## Contact Information

### BOARD AND NATIONAL OFFICE

Chief Executive  
Executive Manager, Corporate  
Manager Finance & Administration

M G Monk  
M R Lineham  
G A Forster

Level 4  
Quinovic House  
32 Kent Terrace  
PO Box 19160  
Board.govt.nz  
WELLINGTON 6149  
Limb Board.govt.nz

Telephone: (04) 385 9410  
Telephone: (04) 385 9408  
Fax: (04) 385 9412  
E-mail: info@New Zealand Artificial Limb  
Website: www.New Zealand Artificial

### AUCKLAND LIMB CENTRE

7 Horopito Street  
AUCKLAND 1024

Manager: P Bargh

Telephone: (09) 630 0644  
Fax: (09) 631 0041

### HAMILTON LIMB CENTRE

222 Pembroke Street  
P O Box 1418  
HAMILTON 3204

Manager: C W Dobbs

Telephone: (07) 838 3269  
Fax: (07) 838 3271

### WELLINGTON LIMB CENTRE

42-46 Mein Street  
P O Box 7281  
Newtown  
WELLINGTON 6021

Manager: R V Binet

Telephone: (04) 389 2045  
Fax: (04) 389 8552

### CHRISTCHURCH LIMB CENTRE

330 Burwood Road  
CHRISTCHURCH 8083

Manager: G J Flanagan

Telephone: (03) 383 0501  
Fax: (03) 383 3566

### DUNEDIN LIMB CENTRE

C/o Public Hospital  
Great King Street  
DUNEDIN 9016  
Fraser Bldg, 464 Cumberland Street  
DUNEDIN 9016

Manager: M A McDowall

Telephone: (03) 474 7983  
Fax: (03) 479 2413

