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THE PHARMACY COUNCIL



VISION

The Pharmacy Council is instrumental in pharmacy practitioners being recognised as the trusted experts in medicines.

MISSION

To set the standard for the safe, modern practice of pharmacy in New Zealand while building community confidence.

FUNCTIONS OF THE PHARMACY COUNCIL

The Pharmacy Council has a duty to strive to ensure the highest standards of excellence in the practice of pharmacy are met; to acknowledge the principles of the Treaty of Waitangi, and to ensure that proper standards of integrity, conduct, and concern for the public good are maintained.

The functions of the Pharmacy Council under section 118 of the HPCA Act are:

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



PHARMACY COUNCIL MEMBERS

AT 30 JUNE 2005



From left:

Robert Fleming Dip Pharm, MClinPharm, ANZCP, MPS is a Christchurch pharmacist and a past member of the Council of the Pharmaceutical Society of New Zealand.

Darryn Russell is Maori Affairs Advisor in the Office of the Vice Chancellor at the University of Otago. He is also a director of Te Runanga o Otakou Incorporated (a local Ngai Tahu Marae Council), Ngai Tahu Seafood Ltd and Araiteuru Whare Haurua (a Maori health provider in Dunedin City).

Eleanor Hawthorn ONZM, FPS (Chair) is an Auckland pharmacy proprietor and a past president of The Pharmaceutical Society of New Zealand (PSNZ).

Carolyn Oakley-Brown DipPharm, MNZCP, MPS is a former pharmacy proprietor in Christchurch and is actively involved in medicines management programmes.

Brian Irvine Dip HA, DipClinPharm, FNZHPA, ANZIM, FPS of New Plymouth is involved in a Taranaki PHO through First Health. He is a Council member of the Commonwealth Pharmacists' Association and a past president of the Pharmaceutical Society of New Zealand (PSNZ).

Dr Judith Johnston BA (Hons), MA, PhD is a management consultant with many years of experience in the public and private sectors, including a term as Deputy Director General of Health.

Andi Shirtcliffe B.Pharm, PG Cert Pharm, MNZCP, MPS (Deputy Chair) is a former pharmacy proprietor who currently works in the Wellington area as a consultant pharmacist. Andi is a previous Pharmaceutical Society of New Zealand Councillor.

Professor John Shaw BSc, Dip ClinPharm, PhD, FNZCP, FRPharmS, FPS (inset) is Head of the School of Pharmacy at the University of Auckland. John is actively involved in current pharmacy practice and brings an academic perspective to the Pharmacy Council.



The Pharmacy Council was appointed by the Minister of Health at the end of 2003, although it was February 2004 before we met as a Council for the first time. Up until the Health Practitioners Competence Assurance Act 2003 became fully effective in September 2004, the Council, with the assistance of the Pharmaceutical Society of New Zealand, prepared for the responsibilities and activities arising from the change to the legislation. On 18 September 2004 we were as prepared as we could reasonably be to take over the statutory functions of the new Act - we had our own staff, our own premises and had done a considerable amount of policy development work and consultation with the profession, particularly about Scopes of Practice. We had also spent time familiarising ourselves with the requirements to ensure on-going competency and the changes to the complaints and discipline process.

A major achievement has been the establishment of two Scopes of Practice, the Intern and General Scopes of Practice. Further work now needs to be done on an Advanced Scope of Practice and before the end of 2005 we hope to be well on the way to defining the competencies that will be needed to provide the medicine management services being developed by the District Health Boards. Undoubtedly, some of these services will be provided by pharmacists whose knowledge and skills will warrant recognition at the advanced level. In the not too distant future some pharmacists will also want to be recognised as having the knowledge and skills to become designated prescribers. Council must be prepared for these challenges ahead.

But as we consider the future, it is timely to reflect on the recent past.

The Annual Report contains an overview of what has been achieved in the 9 months since September 2004. The Council has made some significant progress in key areas. Some of these include.

- Establishing the two scopes of practice and prescribing the qualifications for both - to date feedback from the profession has been positive.
- As a Council we have a responsibility to monitor those New Zealand educational institutions which provide a pharmacy qualification and we may also monitor overseas institutions. Through the Pre-registration Assessment Board, a committee of Council, we accredit and monitor the Pre-registration programme provided by the Pharmaceutical Society of New Zealand. This is a rigorous process designed to ensure that all new pharmacists are competent and meet the requirements for safe practice
- The HPCA Act requires the issuing of Annual Practising Certificates and this requirement has lead to significant changes in the way the Register is managed. In future all pharmacists requiring an APC will have to declare that they are participating in Continuing Professional Development
- Considerable work has been done in the area of Professional Standards with the development of a Protocol for the Sale and Supply of Pharmacist Only Medicines for Chronic Conditions
- We have completed a Māori Health Strategy for the Pharmacy Profession after consultation with many stakeholders, submissions have been made on behalf of the Council on a number of issues and staff at the Council office regularly offer advice on practice issues.

As the principal purpose of the HPCA Act 2003 is to protect the health and safety of the members of the public by providing for mechanisms to ensure that health practitioners are competent and fit to practise their professions, it has been a huge challenge for staff at the Pharmacy Council to provide well-researched, workable, fair but uncompromising policy advice to the Council.

The Council has also established a number of committees to deal with matters in the areas of complaints, discipline and health. A Complaints Screening Committee has been delegated by Council to assess complaints and consider what action, if any, should be taken. A complaint may be referred to the Professional Conduct Committee, which investigates professional conduct issues and notices of conviction. This committee may determine that a charge be laid before the Health Practitioners Disciplinary Tribunal, may ask Council to review a practitioner's competence or may determine that no further action be taken. A Health Committee considers concerns that are brought to the notice of the Council regarding pharmacists who may be unable to perform required functions due to a mental or physical condition. All the above committees have met on several occasions since September 2004.

On 18 September 2004 the Pharmacy Council received initial funding from the Pharmaceutical Society of New Zealand to finance the Council's operating costs for the period from 18 September to 31 December 2004. In addition to this transfer, further funds were introduced by way of a loan from the Pharmaceutical Society of New Zealand Ltd.

I am pleased to report that the Pharmacy Council's financial performance in its first year of operations was satisfactory with a positive result against budget. The Council looks forward to building on this result in its second year of operations and to accumulate sufficient reserves to ensure the future viability of the Council.

I would like to take this opportunity to thank both the Council members and the CEO/Registrar and her staff for the tremendous effort that has been made to get the Pharmacy Council to the stage where we can now plan confidently for the future of the organisation.



Eleanor Hawthorn ONZM FPS ANZCP
Chair

CHIEF EXECUTIVE AND REGISTRAR'S REPORT



On 18 September 2004, the Health Practitioners Competence Assurance (HPCA) Act 2003 came into full effect and the Pharmacy Council began on an operational level. This heralded the beginning of a new era of regulation for the pharmacy profession in New Zealand. Preparation and funding for the initial establishment of the Council provided by the Pharmaceutical Society of New Zealand (PSNZ) assisted the Council to successfully establish its operation as the Regulatory Authority for pharmacists under the new legislation.

The HPCA Act has required the Council to provide new functions and services to ensure public safety, and a number of operations and policies were set up after September 2004 to ensure these new requirements could be met. Prior to developing these policies, the Council consulted widely on new provisions for the Act, particularly in the areas of setting the scopes of practice, prescribed qualifications and titles, recertification, return to practice requirements and English language standards. These are outlined in more detail throughout this Report.

The Council set a strategic plan that covered this initial year of operation, and considerable work by Council staff has resulted in robust, best-practice policies, procedures and operations that meet the statutory mandate of ensuring a competent pharmacy profession. The Council has also been very grateful for the excellent support and willingness to share information that has come from other Health Regulatory Authorities, in particular the Medical, Dental, Physiotherapy and Occupational Therapy Authorities.

As a member of the Steering Group of the Ministry of Health's Health Practitioner Index (HPI) project, the Council has taken a leadership role and has worked hard to ensure that while information relating to the practising status and qualifications of pharmacists is disclosed to the public, for the safety of pharmacists, other information about practitioners remains confidential. The Council has established excellent relationships with the Ministry of Health, including Medsafe, which are essential to the success of the organisation.

Considerable effort has been put into achieving recognition by both the public and the profession as the regulatory and standard-setting organisation for pharmacy. This has been achieved by a concerted effort on the part of Council and staff to profile the organisation well, following a clear strategic and communications plan, and ensuring that practitioners are regularly informed of new requirements and changes. Internal processes have been set against best-practice models to ensure quality and consistent decisions are made and processing of applications, registrations and practising certificates are done in a timely and efficient manner. Newsletters, website, conference appearances, poster presentations and a high presence in the sector media show a confident organisation that is meeting the values of a modern regulatory organisation that is consumer-centred, uncompromising about public safety, leading safe modern practice, and displaying unquestioned integrity.



Bronwyn Clark
Chief Executive and Registrar

SIGNIFICANT ACTIVITIES



SCOPES OF PRACTICE

In order to set the scopes of practice for the pharmacy profession, and also to prescribe the qualifications for these scopes, the Council embarked on an extensive consultation process in mid 2004. The HPCA Act requires that consultation should include persons and organisations that the authority considers will be affected by the proposals (s.14).

Responses were received from 6.5% of registered pharmacists, as well as from a number of organisations. The responses were considered by the Council in June 2004, and the scopes and qualifications set following this.

The Council set two scopes of practice for pharmacy – the Pharmacist and the Intern Pharmacist. This Act allowed intern pharmacists to become registered health practitioners, which had not previously been permitted under the Pharmacy Act 1970. The intern pharmacist scope is identical to that of the pharmacist, but requires the intern pharmacist (who is completing further qualifications prior to becoming a pharmacist) to practise only under the supervision of a registered practising pharmacist.

PRESCRIBED QUALIFICATIONS

The Council prescribed qualifications for both the scopes of practice, in four broad groups:

- a) New Zealand pharmacy graduates
- b) Australian registered pharmacists
- c) United Kingdom and Eire registered pharmacists
- d) Pharmacists registered from countries other than Australia, United Kingdom and Eire.

Qualifications prescribed under a) and d) include the added requirement for the graduate to complete a 44 week Preregistration (intern) programme. The Council accredited the Preregistration programme of the Pharmaceutical Society of New Zealand (Inc) (PSNZ (Inc)) as a prescribed qualification for this purpose. Qualifications prescribed under b) and c) require the pharmacist to complete an Oral Assessment of Law and Ethics, which is provided by the Pharmacy Council.

Under the transition arrangements laid out in s. 187 of the HPCA Act, all pharmacists who were registered with the Pharmaceutical Society prior to 18 September 2004 were deemed to be registered with the Pharmacy Council on 18 September 2004.

ACCREDITATION OF QUALIFICATIONS

The HPCA Act requires the Council to monitor every New Zealand educational institution that provides a prescribed qualification, with the added endorsement that the Council may also monitor overseas institutions. The Council is an associate member of the Council of Pharmacy Registering Authorities of Australia and New Zealand (COPRA), which has an accreditation function with the New Zealand and Australian Pharmacy Schools Accreditation Committee (NAPSAC). This Committee has the responsibility of accrediting and monitoring New Zealand and Australian pharmacy degree programmes, and the Council uses this mechanism for assuring the quality of the degree programmes. Council has a member on this Committee.

The Preregistration Assessment Board, a committee of Council, has the responsibility of accrediting, determining successful completion of candidates and monitoring the Preregistration programme of the PSNZ (Inc) and makes reports to Council on the quality of this particular programme.

REGISTRATIONS AND PRACTISING CERTIFICATES

Following implementation of the Health Practitioners Competence Assurance Act 2003 on 18 September and the revocation of the Pharmacy Act 1970, 3943 pharmacists registered with the Pharmaceutical Society were transferred to the public register held by the Pharmacy Council. Of the total number transferred, 3072 pharmacists were considered to be practising pharmacists as defined by the categories previously established by the Society.

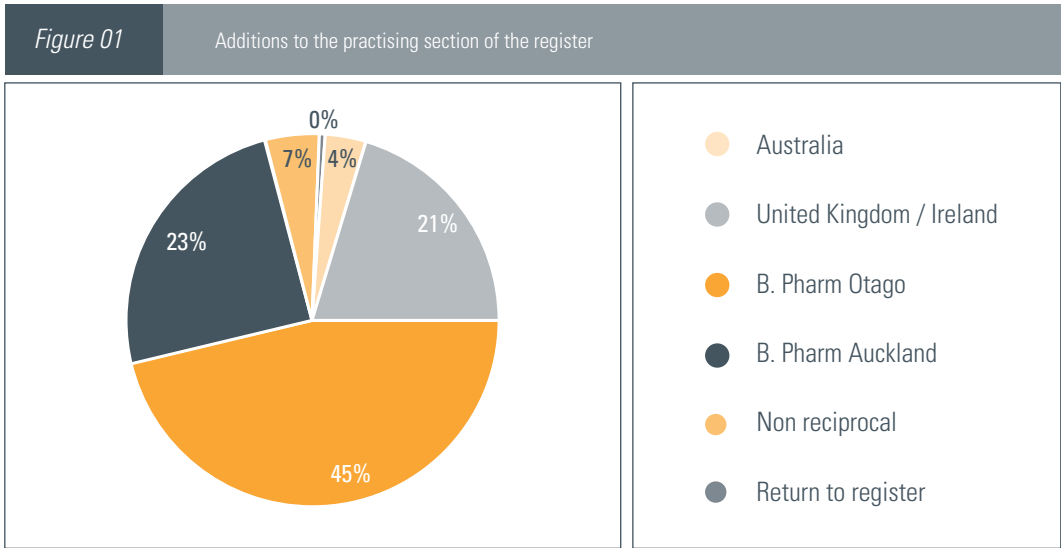
The new requirement for issuing Annual Practising Certificates brought with it changes to the way the register was structured and managed by the Council. Replacing the previous Pharmaceutical Society categories, introducing scopes of practice, and defining the practising and non practising sections in the register resulted in some significant changes in the way registration data is recorded. The following is a summary of pharmacist registrations in the practising and non practising sections of the register at 30 June 2005.

Practising pharmacists

A total of 2787 were registered as practising pharmacists at 30 June 2005 and held an Annual Practising Certificate. 38 pharmacists included in this total had transferred from the non practising categories previously established by the Pharmaceutical Society to the practising section of the register.

Additions to the practising section of the register

Included in the total number of practising pharmacists are 208 additions made to the register in the period 19 September 2004 to 30 June 2005. This includes 9 pharmacists issued with an APC under the Trans Tasman Mutual Recognition Act (TTMRA) and 44 through an established reciprocal agreement with the registration authorities in Great Britain and Ireland. 91 intern pharmacists with a B.Pharm degree from Otago University and 48 who qualified with a B.Pharm at Auckland University were registered in the pharmacist scope of practice in this period. A further 15 pharmacists qualified in countries other than New Zealand, Australia or the United Kingdom who successfully completed the New Zealand intern programme were registered and issued with an APC. One pharmacist who had previously been registered in New Zealand was restored to the practising section of the register.



Non practising pharmacists

983 pharmacists were registered in the non practising section of the public register at 30 June 2005.

Registrations in the Intern pharmacist scope of practice

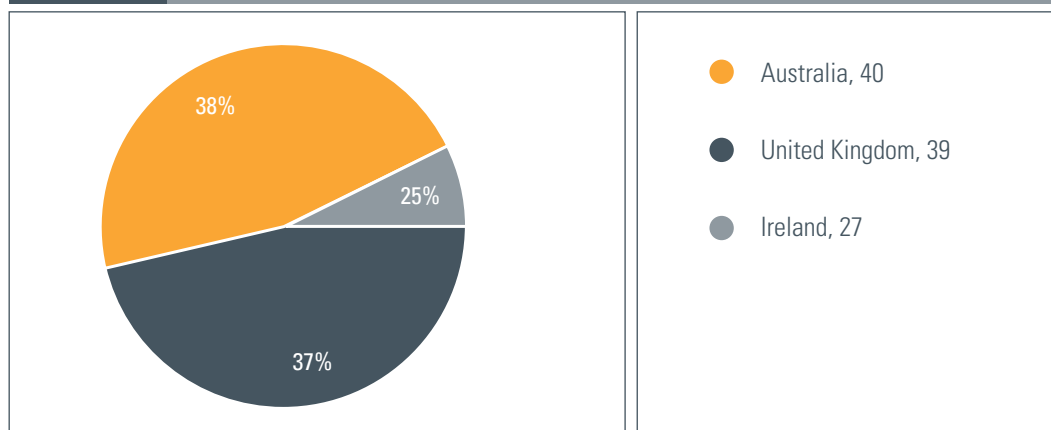
A total of 168 intern pharmacists registered and were issued with an APC in the intern scope of practice during the year to 30 June 2005. 163 of these interns graduated from either Otago or Auckland University Schools of Pharmacy and five qualified in countries other than New Zealand, Australia or the United Kingdom.

Certificates of Identity issued

A total of 106 Certificates of Identity were issued to pharmacists intending to register overseas during this period. Of these, 39 were intending to register in the United Kingdom, 27 in Ireland and 40 in Australia.

Figure 02

Certificates of Identity Issued



Removals from the register

206 pharmacists were removed from the public register following the APC renewal process. The majority of these removals were from the non practising section of the register.

PROFESSIONAL STANDARDS REPORT 2005

Protocol for the Sale and Supply of Pharmacist Only Medicines for Chronic Conditions

In November 2004 the Council passed a protocol that described the process that pharmacists must follow in order to provide pharmacist-only medicines for chronic conditions. Previously, pharmacist-only medicines were only available to treat acute conditions. The first medicine to be included in the chronic conditions category is orlistat, which was reclassified from Prescription Medicine to Pharmacist Only Medicine in March 2005. The protocol requires a face-to-face consultation with the patient, detailed records to be kept and follow up by the pharmacist. Internet sales are not permitted unless a patient is unable to visit a pharmacy regularly due to disability or geographical isolation within New Zealand; in such cases the pharmacist must ensure that electronic interaction with the patient fulfils the requirements of the protocol.

Standardisation of Pharmacy Practice Law and Ethics Interview

The Pharmacy Practice Law and Ethics Interview is part of the assessment that must be completed by

- reciprocal overseas pharmacists wishing to register in New Zealand
- New Zealand registered pharmacists who have been working overseas in Australia, UK or Ireland for up to 8 years prior to returning to practise here
- New Zealand registered pharmacists who have not held an APC for more than 3 years prior to their application to return to practise

Council-appointed pharmacist interviewers use a standardised set of interview questions and accompanying guidelines for assessment. The question bank will be reviewed and updated annually.

Māori Health Strategy

With the able assistance of Lyn Harrison as facilitator and representatives from Ngā Kaitiaki o Te Puna Rongoā o Aotearoa (the Māori Pharmacists' Association), the Council worked further on the original work begun by Leah Whiu and the Pharmaceutical Society in 2001. The Strategy's vision is that "The pharmacy profession will achieve improvements in Māori wellbeing". The document outlines strategies and actions that will achieve each of four goals in the short, medium and long term. The emphasis is on the lead pharmacy professions recognising Māori well-being as a priority, a competent pharmacy workforce that supports Māori well-being, the strengthening and maintaining of key relationships with Māori and innovative pharmacy services to improve Māori well-being. At the end of June the Strategy was nearing its implementation phase. Planning for the first stage, engagement with the profession's lead organisations is underway.

Submissions

Submissions have been made on behalf of the Council including the following: Implementation of Nurse Prescribing, Reclassification of Medicines (Medsafe), Labelling Requirements for Medicines, the Baby Friendly Community Initiative, the National Health Committee on Chronic Conditions, the Māori Health Workforce Development Plan.

Practice Assistance

Other services provided include: review of Standard Operating Procedures for pharmacists who have had HDC investigations referred to Council; assistance with assessment tools for Competence Review; preparation of articles for Newsletter Safe Practice Tips column; assistance with assessment of applications for return to register and reciprocal pharmacists; responding to enquiries from pharmacists and the public on practice issues.

COMPETENCE

The principal purpose of the HPCA Act 2003 is to protect the health and safety of members of the public by providing for mechanisms to ensure that health practitioners are competent and fit to practise their professions.

The following provides a summary of the mechanisms and the activities that the Pharmacy Council of NZ has undertaken (during 1 April 2004 - 30 June 2005) in order to ensure a competent pharmacy profession and thereby protecting the health and safety of members of the public.

Competence Standards

In June 2004 the Pharmacy Council of NZ adopted the Pharmaceutical Society of New Zealand Competence Standards for the Pharmacy Profession. There are seven competence standards and every registered practising pharmacist is required to assess their current practice against these seven standards. They are also required to identify the standards that form part of their current practice and undertake learning within these standards.

Recertification

Recertification is one of the mechanisms through which the Pharmacy Council of NZ will ensure pharmacists' are competent to practice within the Pharmacist Scope of Practice.

Recertification Programme Framework set by the Pharmacy Council of NZ - A Continuing Professional Development (CPD) model

In the last year, the Pharmacy Council of NZ endorsed the framework for recertification programmes based on the four steps of the continuing professional development (CPD) model (reflection, planning, action, outcomes) and resolved that recertification programmes be required to:

- 1 Include a reflection step with assessment against the Pharmacy Council of New Zealand Competence Standards
- 2 Ensure that learning undertaken by the pharmacist is both relevant to practice and addresses areas of identified need
- 3 Provide documentation of the CPD undertaken that demonstrates the pharmacist has followed the four steps of the CPD cycle
- 4 Include a practice-benefit outcome assessment of the learning undertaken based on the Pharmacy Council of NZ Outcome Credit Scale. The purpose of this is to evaluate the outcome on patient benefit (directly/indirectly) or patient safety
- 5 Use Council approved forms to document CPD undertaken. The Council sets the information requirements on these forms.

Accreditation

The Pharmacy Council of NZ has accredited the ENHANCE programme which is provided by the Pharmaceutical Society of NZ (Inc) as a recertification programme.

The purpose of CPD is to assist pharmacists to maintain and develop their practice and to enable them to remain on the register for practising pharmacists.

The Council has invited other education providers to develop programmes to meet the accreditation requirements.

Requirements

The Council set the following recertification requirements

- Registered practising pharmacists must be participating in the Council accredited recertification programme (i.e. ENHANCE) by 31 March 2006 and when applying for an APC, every practising pharmacist is required to make a declaration of their competence to practice within the competence standards that apply to their current practice in the pharmacist scope of practice.
- From 31 March 2006, the Council requires all registered practising pharmacists to:

Undertake Continuing Professional Development (CPD) to accumulate a minimum of 12 Outcome Credits in a three year period and achieve a minimum of 4 Outcome Credits in the first year of participating in an accredited recertification programme *OR*

Undertake CPD to accumulate 5 Outcome Credits in the first year of participating in an accredited recertification programme if the pharmacist has returned to practice after more than one year since they last practised as a pharmacist in New Zealand to accumulate at least 12 outcome credits over a three year period.

Pharmacists are required to meet this irrespective of hours of practice or breaks in practice.

The Pharmacy Council of NZ Outcome Credit Scale

The Pharmacy Council of NZ has defined an Outcome Credit as a measure of how the pharmacist has applied the CPD undertaken to their current practice to directly/indirectly benefit patients and/or to improve patient safety. Pharmacists will be self-assessing their CPD using the Pharmacy Council of NZ Outcome Credit Scale, shown below.

Outcome Credit Scale ©

This scale is a guide and only some of the statements under 1, 2 and 3 may apply to your CPD activity. Half credits cannot be assigned. You need to evaluate how your CPD assisted you in your particular pharmacy work and how you applied it to your work. As far as possible you should evaluate how you have applied your CPD in your practice to directly/indirectly benefit patients or improve patient safety. Note: "Practice" refers to professional pharmacy practice.

CREDIT 1	CREDIT 2	CREDIT 3
<ul style="list-style-type: none">• Although your CPD was relevant to you, you only used what you learnt occasionally in your practice• Your CPD refreshed your knowledge in an area you were already familiar with & already applying in your practice• Your CPD may have resulted in some (direct or indirect) patient benefit or improvements in patient safety, but you consider these to be minimal, not regular or substantial• You have evidence to show some application of your CPD in your practice (the outcomes documented on your CPD Record sheet)	<ul style="list-style-type: none">• Your CPD was relevant & useful to you and you used what you learnt on a more regular basis in your practice• Your CPD had a moderate impact on your practice• Your CPD resulted in (direct or indirect) improvements in patient benefit or safety, you do not consider these to be substantial• You have evidence to show moderate application to your practice (the outcomes documented on your CPD Record sheet)	<ul style="list-style-type: none">• Your CPD was very relevant & useful to you and you applied it considerably in your practice• There was a substantial gain in new knowledge/skills that resulted in significant application to your practice and/or changes to your practice• Your CPD resulted in substantial patient benefit or safety (directly or indirectly)• You have evidence to show significant application to your practice (the outcomes documented on you

Auditing of pharmacists

From 2007 the Council will be conducting audits where up to 20% of the pharmacists on the practising register each year will be required to submit their CPD records (documented on Council approved CPD forms).

Return to Practice Policy and Assessments

The Council's mandate is to protect the health and safety of the public by ensuring that pharmacists returning to practice are competent to practise. Pharmacists who take breaks from practice are encouraged to ensure that they keep up with "things pharmacy" in order to facilitate their return to practice.

At its April 2005 meeting Council revisited the return to practice policy for previously and currently registered pharmacists (set in September 2004). The revision was a result of the Council monitoring the effectiveness of the pathways set for returning to practice. The requirements that pharmacists need to successfully complete before they can be issued with an unconditional Annual Practising Certificate (APC) is related to the time they have spent out of practice. Council staff assess the applications of all pharmacists returning to practice in NZ and ensure that appropriate information is gathered and support is provided in order to implement the policy set by the Pharmacy Council of NZ.

Competence Review

Competence Review is an entirely new function of the HPCA Act 2003. It is an educative and enabling process, whereby an independent review of individual pharmacists who come to the attention of the Council as potentially practising below the required level of competence is conducted by a Competence Review Team (CRT). This is not a disciplinary process, but instead aims to enable pharmacists to improve their practice to the required standard of competence. The process supports pharmacists who wish to continue practising, but who need guidance and, if necessary direction and supervision, in order to continue contributing to their communities.

Under s36 (4)(a)&(b) a pharmacist can have his/her competence reviewed at any time and the usual trigger to this review is that a concern about the competence of the pharmacist has been raised. Concerns regarding the competence of a pharmacist may come from a number of sources including:

- A health practitioner
- The Health and Disability Commissioner (HDC)
- An employer
- A Professional Conduct Committee (PCC)

In the past year Council has developed and implemented policies and procedures;

- to determine whether a competence review is required once a referral has been received
- for appointing pharmacists as part of the competence review team (CRT)
- for conducting the competence review
- for the development of assessment tools for assessing pharmacists during the review by undertaking extensive research of assessment practices and networking with other jurisdictions (nationally and internationally) and
- for determining an enabling outcome for the pharmacist reviewed.

Competence Referrals to Pharmacy Council of NZ		(18 September 2004 - 30 June 2005)
Sources of Concern		Number
Health and Disability Commissioner (HDC)		2
Employer		1
Professional Conduct Committee (PCC)		1
Total referrals		4
Outcomes of Competence Referrals		
To competence review		3
No competence review		1

Council has already recognised some common factors affecting the competence of a pharmacist. These include; professional isolation, lack of engagement in ongoing training and CPD, declining standards of practice and /or gradually evolving illness or disability.

A common denominator in the referrals to Council has been that the pharmacists' have been working in professional isolation and/or are under a significant amount of stress caused by other factors. This mechanism has given the Council the ability to provide pharmacists with a highly personalised and constructive pathway to address their competence without feeling the full weight of a disciplinary process.

COMPLAINTS / DISCIPLINE / HEALTH

Discipline under the Pharmacy Act 1970

Two disciplinary matters were commenced before 18 September 2004, but not completed by this date and therefore continued to be investigated under the Pharmacy Act 1970. One of the disciplinary proceedings was concluded in February 2005 and was considered by the Pharmacy Council under the transitional provisions of the Health Practitioners Competence Assurance Act 2003 section 216. This pharmacist was found guilty of professional misconduct as a result of the sale of prescription medicines over the internet.

The other matter before the Disciplinary Committee of the now disestablished Pharmaceutical Society of New Zealand was not completed as at 30 June 2005.

Complaints

As required by the Health Practitioners Competence Assurance Act 2003 all complaints received by the Pharmacy Council where the practice or conduct of a pharmacist has allegedly affected a health consumer must be referred to the Health and Disability Commissioner. The Pharmacy Council is not able to take any action on these complaints until notified by the Commissioner of the outcome of his consideration or investigation of the complaint. Five complaints were received by the Council from 20 September 2004 to 30 June 2005 and forwarded to the Commissioner. Twelve complaints were received back from the Commissioner. Two matters were referred by the Commissioner for Council's consideration of the pharmacist's competence.

One complaint was received by the Council that did not involve a health consumer.

One further matter was brought to the Council's notice by another agency regarding concerns as to whether or not the pharmacist was practising to the required standard.

All matters were considered by the Council's Complaints Screening Committee.

Complaints Screening Committee

The Complaints Screening Committee was established by a Council delegation. The Committee assesses complaints and considers, in light of the nature and circumstances of the complaint, the action or actions, if any, that should be taken and the most appropriate route by which that the matter should be further considered. Of the thirteen complaints considered by the Complaints Screening Committee two complaints were referred to a Professional Conduct Committee. All other complaints were dealt with in one or more of the following ways: an educative letter to the pharmacist; inclusion in the Council's Newsletter of educative information for the profession as a whole; a check of the pharmacy's relevant Standard Operating Procedures; a reminder to continually review procedures and to keep staff informed of any changes.

Professional Conduct Committees

Three Professional Conduct Committees were appointed in the period 20 September 2004 to 30 June 2005. Professional Conduct Committees consider and investigate professional conduct issues and notices of conviction. Of the three matters investigated by Professional Conduct Committees one resulted from a notice of conviction with the Committee determining that a charge be laid before the Health Practitioners Disciplinary Tribunal, one matter was recommended for consideration by Council for a review of the pharmacist's competence, and one matter was determined as requiring no further action be taken.

Health Practitioners Disciplinary Tribunal

The Health Practitioners Disciplinary Tribunal is a separate body set up under the Health Practitioners Competence Assurance Act 2003 to hear and determine disciplinary proceedings brought against all health practitioners.

A charge against a pharmacist has been laid by a Pharmacy Council Professional Conduct Committee and the hearing is set down for later in 2005.

Health Committee

The Health Committee considers concerns brought to the notice of the Council regarding pharmacists that may be unable to perform the required functions of a pharmacist due to some mental or physical condition. A number of pharmacists were considered by the Health Committee, as well as an applicant for registration who was not yet registered with the Council. One pharmacist was monitored by the Health Committee with conditions being placed on the pharmacist's Annual Practising Certificate.

PHARMACY WORKFORCE ANALYSIS



The Pharmacy Council collected workforce data as part of the Annual Practising Certificate (APC) renewal process in early 2005. This is the first year of operation for the Council and therefore it is not possible to make comparisons with previous periods, however, the data collected has provided the Council with a good picture of the workforce as at June 2005. The Council has also been able to provide data to the Department of Labour to assist with the completion of a workforce shortage report.

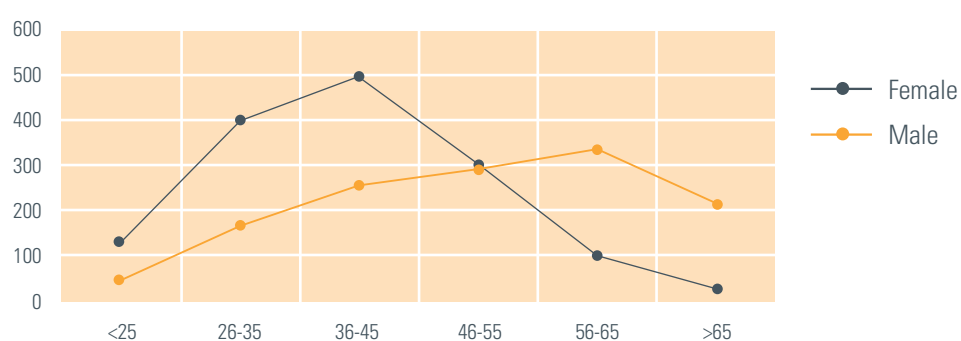
Data will now be collected at the same time every year following the APC renewal process and the Pharmacy Council will be in a position to monitor trends and analyse workforce needs.

Some of the key demographics taken from the data are:

- The total number of pharmacists on the register at 30 June was 3770. 75% of pharmacists on the register held an annual practising certificate at that date.
- 53% of practising pharmacists are female.
- 86% of practising pharmacists obtained their qualifications and were first registered in New Zealand.
- 20% of practising pharmacists were between the ages of 26-35; 27% 36-45; 22% 46-55; 15% 56-65; and 9% over the age of 65.

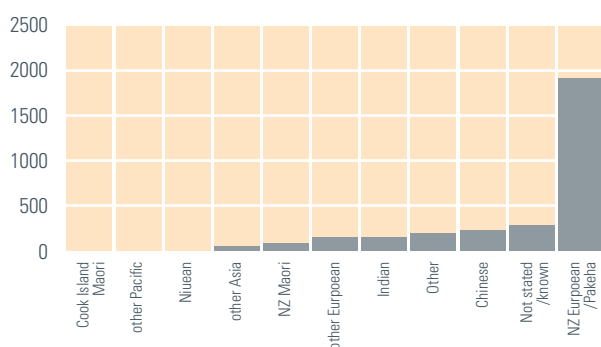
Pharmacists Practising as at June 2005

Age Distribution



Practising Pharmacists

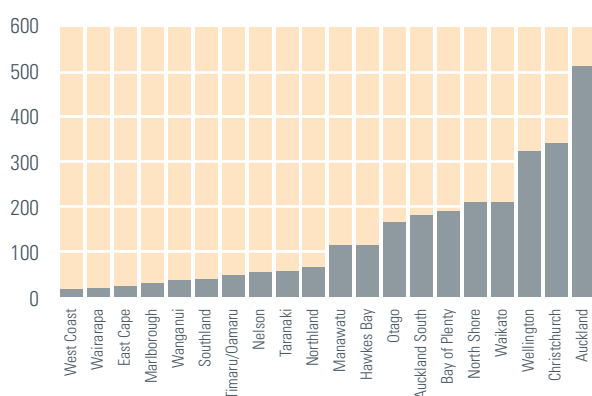
Primary Ethnicity



- 1% of practising pharmacists identify as Māori.

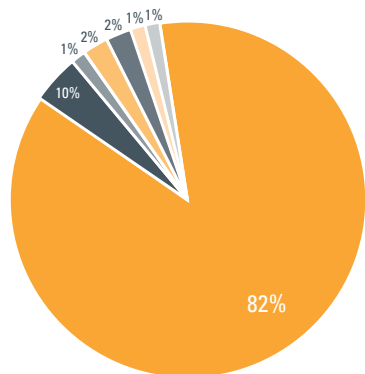
Practising Pharmacists

by Region



- The majority of practising pharmacists are located in the regions of greater Auckland (including North Shore and South Auckland, 33%), Christchurch (12%), Wellington (11.5%) and Waikato (8%).

Place of Work



- In the year to 21 March 2005, approximately 82% of practising pharmacists worked in community pharmacy and 10% in hospital pharmacy.

- Community Pharmacy
- Hospital Pharmacy
- IPA, PHO, PCO
- Pharmaceutical Industry
- Pharmacy Related
- Teaching
- Other

The majority of practising pharmacists worked full time in the year to 31 March 2005 with 17% working more than 50 hours a week, 35% working between 40-49 hours a week, and 17% working 30-39 hours a week.¹

The Council recognises there is a workforce shortage in pharmacy and that this is not likely to be eased as we move towards meeting the health demands of an aging population. While this shortage is acknowledged, it is believed that it should in no way compromise the responsibility the Council has to public safety and to ensuring that pharmacists are competent to practise.

Council intends to work closely with Government and other interested groups on workforce issues at every opportunity.

¹ 90% of practising pharmacists completed the hours of work section in the survey

CORPORATE GOVERNANCE



The Pharmacy Council is accountable to the Minister of Health and the public and its role is to ensure the requirements of the Health Practitioners Competence Assurance Act 2003 are met. In line with these requirements, and to ensure its goals are met, Council members set the organisation's strategic direction and monitor the performance of management.

APPOINTMENTS TO COUNCIL

Pursuant to section 120 of the Health Practitioners Competence Assurance Act 2003, the Minister of Health, on 18 December 2003 appointed the following people to the Pharmacy Council:

Judith Johnston and Darryn Russell (as laypersons)

John Shaw, Andrea Shirtcliffe, Eleanor Hawthorn (as health practitioners for a term of office of two years)

Robert Fleming, Carolyn Oakley-Brown, Brian Irvine (as health practitioners for a term of office of three years)

Robert Fleming and Andi Shirtcliffe were concurrently on the Council of the Pharmaceutical Society of New Zealand (Inc) during the transition period until 18 September 2004.

The above appointments remained in place at 30 June 2005 (see Pharmacy Council Members).

COUNCIL MEETINGS

Dates for Council meetings are set in advance and are confirmed at the end of a calendar year for the following 12 months. In the period 20th September 2004 to 30 June 2005, the Council met three times with one special meeting via teleconference in October 2004.

FINANCE & AUDIT COMMITTEE

The Finance and Audit Committee is a sub committee appointed by Council to assist them in discharging their responsibilities relating to financial reporting and regulatory conformance. Members of this Committee for the year to 30 June 2005 were Andi Shirtcliffe (Chair), Darryn Russell, and Eleanor Hawthorn. This Committee met four times during the period 20th September 2004 to 30 June 2005.

GOVERNANCE TRAINING

A governance training session was conducted by the Institute of Directors for Councillors in February 2005. This session was extremely useful and assisted Council to fully understand their role and the most effective way to lead. The session included aspects of corporate governance principles, boardroom practice, CEO/Chair relationship and strategy.

STRATEGIC PLANNING

The Council held an initial strategic planning day in early 2004, and developed a plan that broadly set out goals for the initial operation of the Council. In April 2005 another session, called a "Blue Skies" day, was held, and this has enabled the Council to build on the original plan for the next five years of operation.

COMMITTEES AND APPOINTMENTS



COMPLAINTS SCREENING COMMITTEE (CSC)

The Complaints Screening Committee assesses complaints or concerns made to the Council, and in light of the nature and circumstances of the complaint or concern, considers the most appropriate action or actions that should be taken. The CSC regulates its own procedure in respect of matters before it; and exercises any of the powers of the Council that are incidental or otherwise necessary for the exercise of its obligations under s65 and s68.

Membership

Andi Shirtcliffe Robert Fleming
Bronwyn Clark, Chief Executive & Registrar

PROFESSIONAL CONDUCT COMMITTEE (PCC)

The Professional Conduct Committee receives complaints referred from the Pharmacy Council with respect to professional conduct issues and notices of conviction. It adopts and follows procedures that ensure that, in relation to each matter referred to the Committee, the pharmacist, the Pharmacy Council and the complainant are kept informed about progress of a complaint. The PCC may receive evidence relevant to the complaint, appoint legal advisors and / or investigators as necessary and make recommendations and determinations on completion of its investigations.

A PCC is established to address individual issues and membership comprises three persons, one of whom is usually a Council member.

Members

Robert Fleming (Councillor)	Peter Pratt
Barbara Johnsen (lay)	Darryn Russell (Councillor - lay)
Tony Fisher	Patsi Davies (lay)
Chris Budgen	M N (Joe) Asghar

Health Committee

The Health Committee considers notifications concerning pharmacists who may be unable to perform the required functions of a pharmacist owing to some mental or physical condition.

This Committee comprises the Pharmacy Council Chair, the Chief Executive & Registrar and the Pharmacy Council Deputy Chair or another Councillor.

PREREGISTRATION ASSESSMENT BOARD (PRAB)

The purpose of the Preregistration Assessment Board is to monitor the assessment methodology and tools of the preregistration programme and to review the evidence gathered on individual intern pharmacists completing the programme. This enables the Board to determine whether intern pharmacists have successfully completed the programme and therefore meet the standard required to register in the pharmacist scope of practice.

Board Members

Amanda Torr – Chair (Resigned June 2005), Nicola Tyers (Resigned February 2005), Sunita Goyal, Therese Kairuz, Dianne Welch

Sub Committee Members (also Board Members)

Carolyn Oakley-Brown, Mary-Anne O'Rourke, Dianne Wright

COMPETENCE REVIEW TEAM

The Competence Review Team determines whether a pharmacist is practising to the required standard of competence when concerns have been raised about their competence to practise. The competence of the pharmacist being reviewed is assessed against the seven competence standards. The standards are set by the Council and are a written description of the skills, knowledge and attitudes a pharmacist must demonstrate to be deemed competent.

Fifteen pharmacists have been appointed as Competence Reviewers by the Council. Some of these pharmacists have also been appointed as Practice Counsellors.

Practice Counsellors

Practice Counsellors oversee and provide support to a pharmacist's practice and monitor and report to the Council on their performance in the pharmacist scope of practice.

Overseas Pharmacist Assessment Panels

Non reciprocal assessors are appointed to examine the qualifications of overseas pharmacists who apply for registration from countries other than Australia, the United Kingdom and Ireland. This process is undertaken to determine whether the qualifications and work experience of the applicant are equivalent to a current New Zealand Bachelor of Pharmacy degree.

Under the Trans Tasman Mutual Recognition Agreement, applicants who are currently registered as pharmacists in Australia are deemed to hold the equivalent of a New Zealand Bachelor of Pharmacy. Applicants are required to undertake four weeks supervision and be interviewed by an appointed assessor on completion of this period. Likewise, applicants who qualified and were first registered in the United Kingdom, Ireland or Northern Ireland have their qualifications recognised through a reciprocal agreement with these countries. These applicants are also required to undertake a period of supervision and complete the interview process.

Non Reciprocal Assessors

Andi Shirtcliffe, David Woods, Dianne Wright, Diane Welch, Elizabeth Brookbanks, Ellen McCrae, Gordon Becket, Julie Yee, Linda Bryant, Myf Fulford, Sunita Goyal, Janie Sheridan, Billy Allan, Rosemary Langham, Jeffrey Harrison, Raewyn Richardson.

Reciprocal Interviewers

David McFadzien, Eleanor Hawthorn, Elizabeth Finn, Alison Webster, Peter Dunkerley, Catherine Keenan, Glen Caves, Andi Shirtcliffe, Amanda Stanfield, Debbie Wallace, Chris Budgen, Patricia Napier, Bernard McKone, Daryl Sayer.

REPRESENTATION ON OUTSIDE BODIES

Admissions Committee, School of Pharmacy, Otago University	Bronwyn Clark
Board of Studies, School of Pharmacy, Otago University	Darryn Russell
Pharmacy Advisory Committee, School of Pharmacy, Otago University	Eleanor Hawthorn
Board of Studies, School of Pharmacy, University of Auckland	Bronwyn Clark
Council of Pharmacy Registering Authorities (Australia & New Zealand)	Eleanor Hawthorn
New Zealand and Australian Pharmacy Schools Accreditation Committee	Eleanor Hawthorn
Pharmacy Education Accreditation Committee, COPRA	Bronwyn Clark
Health Regulatory Authorities of New Zealand	Eleanor Hawthorn
Health Practitioner Index Steering Group, Ministry of Health	Bronwyn Clark
ACC Pharmacy Liaison Committee	Jan Clare
e-Pharmacy Steering Group	Andi Shirtcliffe
Pharmacy Industry Training Organisation (PITO)	Sandy Bhawan

HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL (HPDT)

The HPDT hears and determines disciplinary proceedings brought against health practitioners.

Members are appointed by the Minister of Health for each hearing. Three pharmacists and one lay person is appointed for each Tribunal hearing.

Chair - David Collins, Deputy Chair, Kate Davenport, Belinda Greer, Fiona McCrimmon

Pharmacists - Ellen McCrae, John Dunlop, Warren Flaunty, Andrew Orange, Mary-Anne O'Rourke, David Thompson, Nerida Smith (Resigned February 2005), Lynette Lee (Resigned February 2005)

Lay Members - Moana Avia, Jenny Courtney, Wendy Davis, Rosemary De Luca, Quentin Hix, Jane Huria, Harry Midgley, Ivan Snook

AUDITOR'S REPORT



TO THE MEMBERS OF THE PHARMACY COUNCIL OF NEW ZEALAND ("THE COUNCIL")

We have audited the financial statements on pages 18 to 24. The financial statements provide information about the past financial performance of the Council and its financial position as at 30 June 2005. This information is stated in accordance with the accounting policies set out on page 21.

Council responsibilities

The Council is responsible for the preparation of financial statements which give a true and fair view of the financial position of the Council as at 30 June 2005 and the results of its operations and cash flows for the year ended on that date.

Auditors' responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Council and report our opinion to you.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Council in the preparation of the financial statements;
- whether the accounting policies are appropriate to the Council's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with New Zealand Auditing Standards. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Other than in our capacity as auditors we have no relationship with or interests in the Council.

Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion the financial statements on pages 18-24:

- comply with New Zealand generally accepted accounting practice;
- give a true and fair view of the financial position of the Council as at 30 June 2005 and the results of its operations and cash flows for the year ended on that date.

Our audit was completed on 21 September 2005 and our unqualified opinion is expressed as at that date.

Wellington

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2005



<i>Statement of Financial Performance</i>		For the year ended 30 June 2005
Revenue	Note	2005 \$
Annual Practising Certificate Fees	1	531,067
Non-Practising Fees		38,926
Registration Fees		33,840
Other Fees	2	39,632
Interest Income		29,418
Miscellaneous Income		1,043
Total Revenue		673,926
Expenditure		
Registration & Discipline	3	80,837
Projects		9,424
Governance	4	64,442
Communications & Profile		55,185
Operating & Administration	5	615,839
Total Expenditure		825,727
Net surplus/ (deficit) for the period		(151,801)

<i>Statement of Movements in Equity</i>		For the year ended 30 June 2005
	Note	2005 \$
Net surplus/ (deficit) for the period		(151,801)
Total Recognised revenue and expenses		(151,801)
Transfer of Equity from PSNZ	6	450,000
Total Movements for the period		298,199
Equity at the start of year		0
Equity at the end of year		298,199

Statement of Financial Position

As at 30 June 2005

Assets	Note	2005 \$
Current Assets		
Cash & short-term deposits	7	1,096,278
Trade Debtors		865
Other Debtors & Prepayments		8,858
Total Current assets		1,106,001
Non-Current Assets		
Fixed assets	8	117,626
Total Assets		1,223,627
Liabilities		
Current Liabilities		
Trade Creditors		15,265
Other Creditors & Accruals		34,144
Employee Entitlements		24,523
Income Received in Advance	9	763,518
Loan – PSNZ Ltd (current portion)	10	17,596
Total Current liabilities		855,046
Non-Current liabilities		
Loan – PSNZ Ltd		70,382
Equity		298,199
Total Liabilities and Equity		1,223,627



Eleanor Hawthorn
Chair of Council



Bronwyn Clark
Chief Executive and Registrar

Date: 21 September 2005

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

Statement of Cash Flows		For the year ended 30 June 2005
Cash flows from operating activities	Note	2005 \$
Cash was provided from:		
Statutory fees and levies		1,366,903
Discipline Recoveries		27,835
Interest		25,448
Other revenue		1,043
Cash was disbursed to:		
Suppliers and employees		(717,941)
Net cash inflow/(outflow) from operating activities	11	703,288
Cash flows from investing activities		
Cash was disbursed to:		
Purchase of Fixed Assets		(57,010)
Net cash (outflow)/inflow from investing activities		(57,010)
Cash flows from financing activities		
Cash was provided from:		
Transfer of equity from PSNZ	6	450,000
Net cash inflow/(outflow) from financing activities		450,000
Net increase in cash held		1,096,278
Add opening cash and bank balances		0
Closing cash and bank balances		1,096,278
Represented by: Cash and bank balances		1,096,278

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2005



REPORTING ENTITY

The Pharmacy Council is a statutory body constituted under the Health Practitioners Competence Assurance Act 2003 (HPCA Act 2003) and has a duty to protect the public and promote good pharmacist practice. The Pharmacy Council is responsible for registration of pharmacists, the setting of standards for pharmacists, accreditation of education programmes and ensuring pharmacists are competent to practise.

The Pharmacy Council was established under the HPCA Act 2003 on 18 December 2003 and commenced operations on 18 September 2004. As this is the Pharmacy Council's first year of operations no comparative information is available.

The Pharmacy Council has adopted a 30 June balance date. Section 134 of the HPCA Act 2003 and the NZ Accounting Framework requires an entity's first accounting period to not exceed 15 months after the date on which it was first established. To fulfill these requirements the Pharmacy Council has produced financial statements for the year ended 30 June 2004.

GENERAL ACCOUNTING POLICIES

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

MEASUREMENT BASIS

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

SPECIFIC ACCOUNTING POLICIES

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

Differential Reporting

The Council is a qualifying entity by virtue of the fact that it has no public accountability and is small as defined by the Framework for Differential Reporting.

All available differential reporting exemptions allowed under the Framework for Differential Reporting have been adopted except for FRS-10 Statement of Cash Flows, as a statement of cash flows has been disclosed.

Fixed Assets

Fixed assets are recorded at cost and depreciated over the estimated useful lives of the assets. Subsequent expenditure that extends or increases the asset's service potential is capitalised.

Depreciation is calculated on a straight-line basis at the following rates:

Leasehold Improvements	10 years	Furniture & Fittings	10 years
Office Equipment	5 years	Computer Hardware & Software	3 years

Goods & Services Tax (GST)

The Statement of Financial Performance and Statement of Cash-flows has been prepared on a GST exclusive basis. All items in the Statement of Financial Position are stated net of GST with the exception of receivables and payables, which are stated inclusive of GST, if any.

Receivables

Receivables are recorded at estimated net realisable value after due provision for doubtful debts.

Taxation

The Pharmacy Council is exempt from taxation pursuant to Section CB 4 (1)(e) of the Income Tax Act 1994.

Revenue Recognition

The Pharmacy Council's annual practising year for pharmacists is from 1 April to 31 March. Only those fees and levies that are attributable to the current financial year are recognised in the Statement of Financial Performance. Fees and levies received in advance of their due dates are recognised in the Statement of Financial Position.

Operating Leases

Payments made under operating leases are recognised in the Statement of Financial Performance.

NOTES TO THE FINANCIAL STATEMENTS



(1) Annual Practising Fees

The APC fee of \$465 for the 15-month period from 1 January 2005 to 31 March 2006 includes an administrative component and a discipline levy. The portion of fees recognised as revenue for the year ended 30 June 2005 is as follows:

APC Fees (Intern and Pharmacist)	491,852
Discipline Recoveries	39,215
	531,067

(2) Other Fees

O'seas Pharmacist Fees	27,778
Certificates of Identity	5,066
Change in Scope of Practice	3,984
Other Fees	2,804
	39,632

(3) Registration and Discipline

Registration	37,267
Discipline	40,399
Competence & Health	3,171
	80,837

(4) Governance

Councillors' fees	37,466
Councillors' expenses	26,976
	64,442

(5) Operating & Administration

Audit Fee	11,000
Doubtful Debt	11,380
Depreciation	15,012
Eftpos Fees	12,253
Information Technology costs	21,663
Insurance	14,995
Legal costs	16,807
Premises costs	56,284
Sundry costs	22,199
Personnel	391,312
Printing & Stationery	16,317
Postage & Courier	8,088
Telecommunications	18,529
	615,839

(6) Transfer of Equity from PSNZ

On 18 September 2004 the Pharmacy Council received funding of \$450,000 from the Pharmaceutical Society of New Zealand (PSNZ) to finance the Council's operating costs for the period from 18 September 2004 to 31 December 2004. The funding formula was based on a one-third/two-third split of the net assets of PSNZ to the Pharmacy Council and to PSNZ Ltd as at 18 September 2004. In addition to this transfer, further funds were introduced by way of a loan from PSNZ Ltd. Refer Note 10.

(7) Cash & short-term deposits

Petty Cash	200
ANZ – Cheque Account	45,081
ANZ – Call Account	50,997
ANZ – Term Deposit	1,000,000
	1,096,278

(8) Fixed assets

	Cost	Depreciation for period	Accumulated Depreciation 30 June 2005	Book Value 30 June 2005
Leasehold Improvements	53,220	4,879	4,879	48,341
Computer Equipment	15,000	3,150	3,150	11,850
Furniture & fittings	51,237	4,377	4,377	46,860
Office Equipment	6,563	768	768	5,795
Website	6,618	1,838	1,838	4,780
Total	132,638	15,012	15,012	117,626

(9) Income Received in Advance

APC fees and levies relating to the 2005/2006 year.

(10) Loan from Pharmaceutical Society of NZ Ltd (PSNZ Ltd)

The Pharmacy Council entered into a loan arrangement with PSNZ Ltd during the year and agreed to repay the loan of \$87,978 over five years. The loan is interest free for the first three years with interest payable at 2% above base for the remaining two years. The first payment of \$17,596 is due and payable on 30 June 2006.

(11) Operating cash flows reconciliation

Net operating surplus/ (deficit) for the year (151,801)

Add/(Deduct) non-cash items:

Depreciation	15,012
Provision for Doubtful Debt	11,380
PSNZ expense transfers	12,350

Add/(Deduct) working capital items:

Accounts Receivable	(12,245)
Other Receivables & Prepayments	(8,858)
Accounts Payable	15,265
PAYE/Withholding Tax	9,939
Income Received in Advance	763,518
Other Payables & Accruals	24,539
Employee Entitlements	24,523
GST Receivable	(334)

Net cash inflow/(outflow) from operating activities 703,288

(12)i Commitments – Operating Leases

Lease commitments under non-cancellable operating leases:

Not more than one year	86,016
One to two years	86,016
Three to five years	212,542

(12)ii Commitments – Health Practitioners' Project

During the year the Pharmacy Council entered into a contract with the Ministry of Health to participate in the Health Practitioners Index Project.

The Ministry of Health (MOH) is working with the health sector to introduce the Health Practitioners Index (HPI), a national database that will include information about registered health practitioners. The Pharmacy Council has agreed to supply information about its member's practitioners to the Ministry of Health for the purpose of establishing the HPI.

The Pharmacy Council has estimated the cost of the project and obtained agreement from the MOH for a one-off payment of \$76,300 (excluding GST) in the next financial year. The payment will cover costs relating to database changes, consultation, project management and ongoing provision of data to the MOH for the duration of the project.

(13) Capital Commitments and Contingent Liabilities

There are no capital commitments or contingent liabilities in existence at balance date.

(14) Adoption of international Reporting Standards

The New Zealand Institute of Chartered Accountants has announced that New Zealand entities will adopt International Financial Reporting Standards (NZIFRS) for financial years commencing after 1 January 2007. Entities may however, choose to adopt NZIFRS from 1 January 2005. The Council intends to adopt NZIFRS for the financial year commencing 1 July 2006.

The Council has yet to quantify the impact that the adoption of NZIFRS will have on the financial statements. The actual impact of adoption of NZIFRS may vary from the information presented, and that variation may be material.

(15) Related Parties

Council members are paid fees for attending to Council and committee business. There were no other related party transactions.

COUNCIL STAFF



Chief Executive & Registrar

Bronwyn Clark DDI 04 495 0332 b.clark@pharmacycouncil.org.nz

Overall responsibility for regulatory functions carried out by the Pharmacy Council and general management of the organisation.

Deputy Registrar

Jenny Ragg DDI 04 495 0334 j.ragg@pharmacycouncil.org.nz

Secretary to Council. Management of complaints, discipline and competence review procedures.

Administration Manager

Claire Paget-Hay DDI 04 495 0336 c.paget-hay@pharmacycouncil.org.nz

Responsible for overall management of office systems and personnel. Assistant to Chief Executive & Registrar.

Registrations Officer

Susan McKibbin DDI 04 495 0333 s.mckibbin@pharmacycouncil.org.nz

Responsible for New Zealand and overseas pharmacist registration, maintenance of register and processing of registration and APC applications.

Administrator

Maree Dawson DDI 04 495 0335 m.dawson@pharmacycouncil.org.nz

Provides administration support to Council. Processes accounts payable and provides general office administration.

Accountant

Mary Yee DDI 04 495 0339 m.yee@pharmacycouncil.org.nz

Responsible for preparation of financial reports, budgets and auditing.

Competence Policy Advisor

Sandy Bhawan DDI 04 495 0337 s.bhawan@pharmacycouncil.org.nz

Policy development for competence and assessment of pharmacists.

Professional Standards Pharmacist

Jan Clare DDI 04 495 0338 j.clare@pharmacycouncil.org.nz

Policy development for professional standards for pharmacists. Provides advice for safe practice of pharmacy.

General contact details for the Pharmacy Council:

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