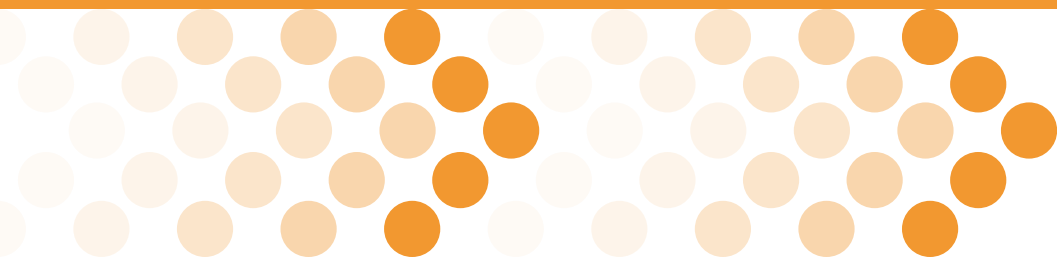




2014 ANNUAL REPORT



KEY RESULTS

IN THE YEAR 1 JULY 2013 TO 30 JUNE 2014 WE WORKED TO KEEP THE PUBLIC SAFE:

-
- Registered a total of 225 new pharmacists (an increase of 10 from the previous year)
-
- Registered 199 New Zealand graduates in the pharmacist scope of practice and 26 overseas-qualified pharmacists
-
- Issued 3,705 annual practising certificates in the pharmacist scope of practice
-
- Issued 242 annual practising certificates in the intern pharmacist scope of practice
-
- Facilitated six separate examination sessions for overseas-qualified pharmacists
-
- Introduced a new recertification audit policy and procedure
-
- Audited 516 pharmacists for recertification requirements (this represents 15% of practising pharmacists)
-
- Registered 15 pharmacists in the Pharmacist Prescriber Scope of Practice
-
- Made nine submissions on a range of health policies and medicine issues
-
- Published four newsletters giving advice and updates to the profession
-
- Implemented new assessments for intern pharmacists
-
- Received 33 complaints about pharmacists from various sources
-
- Received four notifications about the competence of pharmacists
-
- Conducted three competence reviews
-
- Monitored all practising pharmacists for engagement in continuing professional development
-
- Managed six Professional Conduct Committee cases
-
- Undertook one competence programme
-
- The Health Practitioners Disciplinary Tribunal found three pharmacists guilty of professional misconduct
-
- Implemented an improved process for identifying and managing organisational risk
-
- Reviewed the organisation structure
-

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VISION

Safe, effective pharmacy practice.

MISSION

To protect the health, safety, and wellbeing of the public by ensuring pharmacists are competent and fit to practise.

PRINCIPLES

-
- Consistent, fair, reasonable and transparent processes
-
- Assisting pharmacists to perform to the highest standards
-
- Accountable to the public and the profession
-
- Effective, best practice governance
-
- Proportionate regulation
-

VALUES

Accountable, collaborative, consistent, effective, fair, high quality, trusted, impartial, independent, integrity, natural justice, proactive, future focussed, proportional, respectful, robust, transparent. Public, whanau, patient centred.

DUTIES AND FUNCTIONS OF THE PHARMACY COUNCIL

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

The functions of the Council under section 118 of the HPCAA are to:

- a) 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) Authorise the registration of health practitioners under the Act and to maintain registers.
- c) Consider applications for annual practising certificates.
- d) Review and promote the competence of health practitioners.
- e) Recognise, accredit and set programmes to ensure the ongoing competence of health practitioners.
- f) Receive and act on information from health practitioners, employers, and the Health and Disability Commissioner about the competence of health practitioners.
- g) 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) Consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession.
- i) Set standards of clinical competence, cultural competence, and ethical conduct to be observed by health practitioners of the profession.
- j) Liaise with other authorities appointed under the Act about matters of common interest.
- k) Promote education and training in the profession.
- l) Promote public awareness of the responsibilities of the authority.
- m) 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 2014



Dr Andrew Bary PhD, BPharm (Hons), FNZCP, MPS, RegPharmNZ (Chair) is a pharmacist based in Queenstown. Andrew has experience in community pharmacy, as a pharmacy proprietor and in pharmacy research and education.

Third term appointed 8 November 2012



Mark Bedford DipPharm, RegPharmNZ, AFNZIM, Community Pharmacist Mt Maunganui, (Deputy Chair) is co-owner of a busy 7- day Medical Centre Pharmacy. Mark is the previous Chair of Consumer NZ Inc and previous Chair of Waipuna Hospice.

Second term appointed 8 November 2012



Keith Crump MPharm, PG Dip Pop Health, RegPharmNZ is a pharmacist based in Auckland with experience in hospital, teaching and primary care roles. Keith currently divides his time between working in pharmacy related roles for ProCare Health Limited, teaching undergraduate BPharm students and post grad students, and clinical work as a mental health pharmacist for the Waitemata DHB.

Third term appointed 11 April 2013



Dr Te Kani Kingi BSocSci (Hons), MSocSc Waik, PGDipMDev, PhD, DipTM is Director of Te Mata o te Tau, The Academy for Māori Research and Scholarship at Massey University in Wellington. He has a specialist interest in mental health research, psychometrics, and Māori health. He has formally been an executive member of the New Zealand Public Health Association, The Mental Health Advocacy Coalition, and the National Ethics Advisory Committee. He currently sits on the National Health Committee, the Public Health Advisory Committee, Statistics New Zealand's Māori Advisory Group, and is Chair of the Mental Health Commission's Advisory Board.

Second term appointed 11 April 2013



Leanne Te Karu DipPharm (Distinction), PG Cert Pharm (Herbal Meds), PG Dip ClinPharm (Distinction), MHSC (Hons), RegPharmNZ (Muaūpoko/Whanganui) is a contract clinical pharmacist based in Taupo who has experience in both community and hospital pharmacy. Leanne is the Immediate Past President of Ngā Kaitiaki o Te Puna Rongoā o Aotearoa (the Māori Pharmacists Association).

First term appointed 25 August 2011



Marie Bennett Dip Pharm Distinct, MNZCP, MPS, RegPharmNZ is a community pharmacist owner of a busy West Auckland pharmacy. She has current advisory group roles with Waitemata DHB and is a Pharmacy Guild North councillor. Her special interest is in working with new pharmacy based, patient centred models of care.

First term appointed 8 November 2012



Viv Gurrey is currently the Chief Executive Officer of the largest parenting network and provider of support services for parents in New Zealand. She has extensive national and international experience in strategic business consulting, is a member of the Institute of Directors, holds positions in the non government (NGO) sector specifically relating to parenting, the community and families and sits on several Boards.

First term appointed 8 November 2012



Dr Jeff Harrison BSc Hons (Pharmacy) PG Dip Clin Pharm PhD (Surgery) PG Cert (Clin Ed) is a Senior Lecturer in Clinical Pharmacy at the School of Pharmacy at the University of Auckland teaching in both undergraduate and post grad programmes as well as supervising PhD research. His research interests are in clinical and pharmacoepidemiology with a focus on improving the safe, effective and cost-effective use of medicines – particularly in relation to cardiovascular disease and diabetes. Dr Harrison also has extensive experience as a hospital pharmacist prior to taking up his role in academia.

First term appointed 8 November 2012

CORPORATE GOVERNANCE

The role of the Pharmacy Council is to ensure that the requirements of the HPCA Act are met. To ensure these goals are met, Council members set the organisation's strategic direction and monitor the performance of management. The Minister of Health appoints Council members, and the Council is accountable to the Minister, the profession and the public in the performance of its functions.

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 1 July 2013 to 30 June 2014 the Council met five times for full Council meetings. Two additional special meetings were held via audio conference.

CHAIR AND CHIEF EXECUTIVE/ REGISTRAR REPORT

The Pharmacy Council (Council) is pleased to submit this report for the year ended 30 June 2014 to the Minister of Health. This report is presented in accordance with section 134 of the Health Practitioners Competence Assurance Act 2003 (HPCAA).

In the past year the Council has worked hard to implement projects that contribute in a significant way to our mission to protect the health, safety and wellbeing of the public. These projects align with the Council's strategic plan; in particular the goals to optimise mechanisms to ensure pharmacists are competent and fit to practice, and ensure that competence standards are current and promote quality and excellence.

Major projects undertaken over the past financial year include:

- The introduction of new assessments for intern pharmacists.
- Implementation of a new recertification audit policy and process.
- Review of the pharmacist scope of practice and competence standards.
- Approval of accreditation standards for BPharm programmes.
- Contributions to sector issues.
- Review of delegations and Council policies.
- Review of risk management processes.

We are pleased to advise that these major projects, along with the day-to-day regulatory business of the Council, have all been achieved within budget.

Best practice for intern pharmacists

Council had previously agreed to a revised best-practice approach to the assessment of intern pharmacists. This year the changes were communicated to both the public and profession and the new assessments implemented. The changes include the requirement for a pass in an on-line examination and a restructured practical assessment. A considerable amount of development has been required to implement these assessments, and the first cohort of intern pharmacists has now been assessed using the new assessment tools.

Continuing competence

Two other substantial projects this year were the monitoring of the recently approved recertification programme, and the implementation of a new policy and process for recertification audit. The new audit process has enabled Council to verify the continuing professional development of every pharmacist who holds an annual practising certificate. This provides assurance that the majority of the profession is engaged in continuing professional development, and the small number who need support and assistance, can be encouraged to do so.

Review of scope of practice and competence standards

Council commenced a comprehensive review of the pharmacist and intern pharmacist scopes of practice and Competence Standards for the Pharmacy Profession in August 2012. Work on this review continued through the last year, with input from the profession. The new standards have now been independently reviewed and we are confident that they reflect the expectations of contemporary pharmacy practice. The final version is now ready for presentation to Council for ratification.

Collaboration with stakeholders

Forging and maintaining good relationships with our stakeholders are essential to achieving our goals. In addition to regular meetings with organisations that are key to achieving our fitness to practice, competence and conduct objectives, we also worked closely with the professional organisation for pharmacists [(Pharmaceutical Society of New Zealand (Inc))]. This relationship has been central to the successful implementation of the new intern assessments, monitoring of the new recertification programme, and the provision of information for recertification audit. Our relationship with the Australian Pharmacy Council is also vital, and this continued collaboration has ensured the on-line Written Examination is relevant to the New Zealand pharmacy environment, available through the main centres, and delivered efficiently.

Further discussions with other Responsible Authorities about ways in which we achieve efficiencies through co-location, and sharing IT systems and administrative functions have been on-going throughout the year. We continue to work with them to explore further opportunities for collaboration.

Staff and organisation

Council anticipated that the 2013/2014 year would see changes to the way Responsible Authorities operate through the formation of a shared services organisation. As this did not proceed as expected, and to ensure the success of new key projects, we reviewed our existing organisation structure and allocation of responsibilities. As part of this restructure, a new position to manage all examinations and assessments was created. After 10 years in the position, the Deputy Registrar retired, and this change has resulted in some changes to the structure of our registrations team.

Acknowledgements

We value the contribution of the many pharmacists around the country who assist and support the work of the Council by taking on roles as competence assessors, advisory and investigatory committee members, examiners and practice counsellors. Your input is crucial to the successful functioning of the Council.

The staff has worked diligently to achieve the Council's goals and manage an increasing regulatory workload in the past year. We extend our sincere thanks to this experienced and capable team. Their support and hard work have ensured that the Council's mandate under the Health Practitioners Competence Assurance Act 2003, has been achieved. We also thank the Council members for their commitment to the Council's vision and mission, their valuable contributions to decision making, and their continued support throughout the year.



Dr Andrew Bary
Chair



Claire Paget-Hay
Claire Paget-Hay
Chief Executive & Registrar



STRATEGIC GOALS AND KEY PROJECTS 2013-2014

STRATEGIC PLAN

The Council's overarching vision is to assure safe, effective, pharmacy practice. This vision is reflected in the 2010-2015 Strategic Plan with six clear goals focussing on the requirements for scopes of practice, standards and competencies for pharmacists, efficient organisation and risk management, and governance. The strategy sets a clear direction, but at the same time is flexible and enables new goals and initiatives to be developed in response to a changing environment.

PHARMACY COUNCIL STRATEGIC PLAN 2013 – 2015



GOAL ONE – FITNESS TO PRACTISE

To optimise mechanisms to ensure that pharmacists are competent and fit to practise.

Recertification audit

By March 2014 all practising pharmacists were required to participate in the new approved recertification programme to meet the requirements of recertification. The new framework was developed in 2012 and implementation commenced in 2013.

The structure of the new programme enables Council to audit a much larger number of pharmacists than in the past, and gives greater assurance that pharmacists are maintaining their competence through continuing professional development.

Examinations and Assessments

New Zealand intern pharmacists

The new prescribed qualification for New Zealand now includes a pass in an on-line Written Exam and new-format Assessment Centre as well as the completion of a BPharm degree and one-year Intern Training Programme.

In 2012, Council consulted on proposed changes to the summative assessment of interns. These changes were recommended following considerable research into international best practice on assessment of health professionals prior to registration. A significant difference in this new approach is that Council now has greater responsibility for assessments. To allow an appropriate lead-in time for change, Council agreed to implement the changes from January 2014. The first cohort sat the Written Exam and Assessment Centre in March and May 2014 respectively. Further information on all exam and assessment results is detailed on page 16.

GOAL TWO – PHARMACY PRACTICE STANDARDS

To ensure that clinical, cultural, and ethical competence standards are current and promote quality and excellence.

KEY PROJECTS:

Advertising guidelines

This year the Council revised the advertising guidelines for pharmacists in conjunction with the Pharmaceutical Society of New Zealand. Previous guidance and obligations spread across a number of guidelines were combined into a single document for ease of reference.

Health equity statement

A Health Equity statement for the pharmacy profession was developed and endorsed by the Pharmacy Reference Group for the Implementation of the Strategy for Māori Health (PRISM) and is now available to all pharmacists on our website. Equity in health can be defined as the absence of socially unjust or unfair health disparities and asserts that all people have the opportunity to reach their full health potential. They should not be disadvantaged because of social or economic status, religion, age, gender, ethnicity or other socially determined circumstance.

Guidance on practice issues

During the year, the Council receives information on practice issues that relate to new innovations, changes in pharmacy practice or regulations, and dispensing incidents where lessons can be learned. Communicating these matters to the profession assists with the improvement of public safety. This year communications with the profession included:

- Flu vaccinator refresher courses
- Pharmacist vaccinators and first aid/resuscitation requirements
- Generic packaging
- Health Quality and Safety Commission patient safety campaign 'Open for better care'
- Checking medicine substitutions
- 'Look alike-sound alike' medicines
- Collaboration between healthcare professionals
- Dealing with requests for inappropriate quantities of over the counter medicines
- Professional judgement

GOAL THREE – CAPABILITY AND CAPACITY

To ensure that accredited programmes and new scopes of practice allow the profession to meet the needs of the evolving health environment

KEY PROJECTS:

Prescribed qualifications

The prescribed qualifications for registration in the pharmacist scope of practice were reviewed and Gazetted in November 2013. This review reflects Council's decision to include the Written Exam and an Assessment Centre that is independent of the Intern Training Programme.

Review of the pharmacist scope of practice and competence standards

Council commenced a comprehensive review of the pharmacist and intern pharmacist scopes of practice and the associated Competence Standards for the Pharmacy Profession in August 2012. The purpose of the review is to ensure that the identified knowledge, skills and attributes of pharmacists remain relevant for the future in New Zealand's changing health environment. The last full review of these documents took place in 2003 and many new initiatives have impacted on pharmacists since then.

A Reference Group of experienced pharmacists from a variety of practice areas was appointed as a steering group to oversee and guide the review. This group has been instrumental in co-ordinating and reviewing the considerable amount of information from pharmacists around the country, as well as input from national and international experts. A first round of Scope of Practice and Competence Standards workshops for interested pharmacists was held in 2012 and a number of targeted focus group meetings was held in 2013. The feedback from these meetings gave the Reference Group direction on some of the proposed changes. Council has also employed a quality and assurance reviewer with considerable expertise in developing professional standards to provide expert oversight for the project. The brief of the reviewer is to ensure that the standards reflect expectations of contemporary pharmacy practice and that all aspects of the various roles pharmacists might undertake are covered.

A final draft was presented to pharmacists in a series of meetings held across the country between March and May 2014. The final version of the Scopes of Practice and Competence Standards is to be presented to Council for ratification at their meeting in July 2014.

Pharmacist prescriber scope of practice

The pharmacist prescriber role is seen as a natural extension of an experienced clinical pharmacist's role and developing the pharmacist prescriber scope of practice has been an on-going major project. We are pleased to advise that in this first year of implementation 15 pharmacist prescribers registered in this scope. These are highly skilled and very experienced clinical pharmacists who have completed additional qualifications and requirements and are now able to chart or prescribe medicines within a collaborative team environment.

The move is part of a wider Government strategy to help the country cope with increasing demands on health services by strengthening the health workforce and improving patient access to integrated care.

These pharmacists will work in a range of clinical areas including:

- Overall drug therapy management for diabetes, hypertension, gout
- Care of older patients with complex needs on multiple medicines
- Acute pain in the emergency care setting
- Warfarin management for medical inpatients and in the community
- Paediatrics and neonates
- Total parenteral nutrition

Further discussions between the Universities, Health Workforce New Zealand, the Council and other professional bodies about the opportunities for improving public safety by increasing the numbers of pharmacists working in this scope were held during the year.

Accreditation and monitoring of qualifications and programmes

Council has a memorandum of co-operation with the Australian Pharmacy Council (APC) for the accreditation of educational institutions. This includes accreditation of BPharm programmes at the Schools of Pharmacy at Otago and Auckland Universities and the Intern Training Programme delivered by the Pharmaceutical Society of New Zealand (Inc). As part of the agreement with APC, Council has a position on the Accreditation Committee.

Council is pleased to advise that the Accreditation Standards for Australian and New Zealand BPharm programmes were approved in 2013 and were implemented in January 2014. The Standards have had significant New Zealand input to ensure they reflect pharmacy practice in this country and Council is assured that the Accreditation Standards will enhance the accreditation process.

Following a site audit for the EVOLVE Intern Training Programme (ITP) in 2012, the programme was accredited with conditions and monitoring requirements, all of which were met by September 2013. As a requirement of ongoing accreditation, ITPs are site-audited once within a 12-18 month timeframe of re-accreditation.

GOAL FOUR – ACCOUNTABILITY TO PUBLIC AND STAKEHOLDERS

To improve Council’s relationship with the public, the profession, and stakeholders, ensuring that the role of the Council is understood

Contribution to sector issues

Council actively contributes to discussions on relevant issues and policy development, and as appropriate, takes part in consultations and submissions. During 2013-14 Council made the following submissions:

- Medicine Classification Committee – reclassification consultations:
 - Paracetamol and ibuprofen liquids to general sales
 - Sildenafil 100mg tablets to restricted medicine
 - Losec capsules to general sales
 - Selected oral contraceptives from prescription medicine to restricted medicine when supplied for oral contraception by a pharmacist accredited to supply oral contraception, in accordance with the approved protocol for supply
- Australian Health Practitioner Regulation Agency (AHPRA) consultation on common codes and guidelines
- NZDHB pharmacy services framework
- Dietitians Code of Ethics
- Proposed Amendments to Midwives’ and Nurse Practitioners’ Prescribing of Controlled Drugs
- Accreditation Standards for Dental Practitioner Programmes

Communication with the profession and the public

Council has consistently engaged with both the public and the profession throughout the year. The majority of these interactions are as a result of phone calls or emails to our Professional Standards Advisor and are in response to queries from pharmacists about practice issues or, in the case of the public, to queries about what service they can expect from their pharmacist. This consistent engagement increases understanding of the role of Council in protecting the health, safety, and wellbeing of the public.

GOAL FIVE – ORGANISATIONAL PERFORMANCE

To ensure the effective and efficient management of the organisation

Review of the risk management framework

A key project for organisational performance this year has been revision of the risk management framework. The new framework was developed using a 'bottom up' approach with staff identifying risks associated with their particular areas of work. A 'whole of organisation' approach ensures risks are linked to the Strategic Plan and that mitigations and actions are clearly identified and reported.

Review of policies

The Council regularly reviews its policies and procedures as part of continuing quality improvement. In October 2013 the Council commenced a review of its delegations and policies. The delegations to the Registrar and the Deputy Registrar were reviewed and changes made as recommended by the Council's legal advisers. Reviews of the delegation to the Professional Standards Committee, the Complaints Screening Committee and the Health Committee were also undertaken and amendments ratified.

A review of the following policies was undertaken and amendments made and ratified:

- Convictions for Driving with excessive alcohol blood/breath and driving under the influence of drugs
- Competence review
- Risk of harm and risk of serious harm
- Trans Tasman Mutual Recognition (Registration) Route (TTMR)
- Return to practice
- Recertification

GOAL SIX – GOVERNANCE PERFORMANCE

To ensure the effective and efficient governance of the organisation

Relationship management

The Council continues to maintain close contact with key stakeholders. In particular this year, we have met regularly with the Chief Pharmacist Advisor from the Ministry of Health. As part of our key relationship with our Australian counterparts through Trans Tasman Mutual Recognition, we have also met with the Pharmacy Boards of Australia and the Australian Pharmacy Council. At an operational level we have worked very closely with the Pharmaceutical Society of New Zealand (Inc).

Proposal for shared services organisation

The Council was disappointed the proposed shared services organisation did not proceed as proposed. However, Council has continued to explore opportunities for collaboration and co-location. In particular, we have joined with other Responsible Authorities to commission a business case to consider a shared IT system based on the current Medical Council database.

Governance and planning

The Council has conducted an annual review of the 2010-2015 Strategic Plan. As part of its overall Governance strategy, it has also considered succession for the 2014-2015 year and undertaken training in Governance and relationship management.



REGISTRATION

Registration of pharmacists is a core function of the Council and no health practitioner may practise as a pharmacist unless they are both registered and hold an annual practising certificate (APC). The Council sets the standards that pharmacists must meet to register and obtain an APC. This includes the prescribing of qualifications, the accreditation of programmes and providers, and consideration of all aspects of fitness to practice under Parts 2 and 3 of the Health Practitioners Competence Assurance Act 2003. These mechanisms work to protect public safety.

SCOPES OF PRACTICE

Council is also responsible for specifying scopes of practice which define what a pharmacist may do. There are currently three scopes of practice.

Intern pharmacist scope of practice

This is a provisional scope of practice that leads to registration as a pharmacist. It provides for a period of practice under supervision for BPharm graduates from New Zealand or Australia, and overseas-qualified pharmacists from countries other than Australia, Canada, Ireland, Northern Ireland, the UK and the USA (which are recognised as having similar qualifications). Intern pharmacists are also required to pass a Written Exam and a final practical assessment before registering in the pharmacist scope.

Pharmacist scope of practice

Graduates who have completed the above requirements may apply for registration as a pharmacist. Pharmacists who have been registered in Australia, Canada, Ireland, Northern Ireland, the UK or the USA, or who were previously registered in New Zealand and wish to be reinstated to the Register, can apply for registration directly into the pharmacist scope.

Although the practice of pharmacy goes beyond work with patients and clients to include roles that influence clinical practice and public safety – such as teaching, advising, research, policy development, and management – the two scopes of practice above cover:

- Custody, preparation, and dispensing of medicines and pharmaceutical products
- Provision of advice on health and well-being, including health screening
- Selection and provision of non-prescription medicine therapies and therapeutic aids.

Pharmacist prescriber scope of practice

Pharmacist prescribers have specialised clinical, pharmacological and pharmaceutical knowledge, skills and understanding relevant to their area of prescribing practice. They work in a collaborative health team environment with other healthcare professionals and are not the primary diagnostician. They can write a prescription for a patient in their care to initiate or modify therapy (including discontinuation or maintenance of therapy originally initiated by another prescriber). Pharmacist prescribers are required to complete a Post-Graduate Certificate in Pharmacist Prescribing.

Accreditation of Prescribed Qualifications

The Council works closely with the Australian Pharmacy Council (APC) and shares best practice principles and arrangements for the accreditation of programmes. The APC is contracted to deliver accreditation services on our behalf. The agreement with the APC includes delivery of services for accreditation and monitoring of Bachelor of Pharmacy degree programmes, the Intern Training Programme, and post graduate certificate programmes in pharmacist prescriber.

Bachelor of Pharmacy Degrees

Two four-year New Zealand BPharm degree programmes are accredited. The University of Otago BPharm degree holds full accreditation until 2014. The University of Auckland BPharm degree was reaccredited in 2011 and holds full accreditation until 31 December 2016.

The Intern Training Programme (ITP)

The ITP is a supervised, workplace-based training programme completed in the fifth year of training, post-BPharm graduation.

The EVOLVE © ITP is provided by the professional body for pharmacists, the Pharmaceutical Society of New Zealand (Inc). The learning outcomes of the ITP are mapped against the competence standards for the pharmacist scope of practice.

Intern Pharmacists at 30 June	2010	2011	2012	2013	2014
Interns	205	221	218	223	218

The ITP programme is prescribed for:

- New Zealand and Australian BPharm graduates
- Overseas qualified pharmacists from countries other than Australia, Canada, Ireland, Northern Ireland, the UK and the USA
- New Zealand qualified and registered pharmacists returning to practise after a period of 8 years or more

The above intern pharmacists and pharmacists returning to practise also complete the Council's summative assessments – the Written Exam and the Assessment Centre. The Assessment Centre consists of a 10 station OSCE¹. The Written Exam and Assessment Centre focus on application and demonstration of knowledge.

Intern pharmacist exams and assessments 2013-2014	Number assessed	Number passed
Assessment Centre (November 2013)	205	181
Assessment Centre (May 2014)	27	21
Written Exam (March 2014)	31	20

Other examinations and assessments

Council prescribes the registration requirements for overseas qualified pharmacists and local pharmacists returning to practise. Examinations and assessment requirements vary depending on where the pharmacy qualifications were attained:

Knowledge Assessment of Pharmaceutical Sciences (KAPS)

Overseas qualified pharmacists from countries other than Australia, Canada, Ireland, Northern Ireland, the UK and the USA are required to pass this exam before applying to practise in New Zealand as intern pharmacists.

Competency Assessment of Overseas Pharmacists (CAOP)

Overseas qualified pharmacists from Canada, Ireland, Northern Ireland, the UK and the USA are required to sit this examination before registering as pharmacists.

Law and Ethics Interview Assessment

Overseas qualified pharmacists from countries with qualifications that are recognised as similar to New Zealand's (ie Australia, Canada, Ireland, Northern Ireland, the UK and the USA) are required to complete this assessment following a period of supervised practise after registration.

Pharmacists returning to practise after three or more years – but less than eight years – are also required to complete this assessment following a period of supervised practise.

Other exams and assessments 2013-2014	Number assessed	Number passed
KAPS	13	5
CAOP	12	9
Law and Ethics Interview Assessment (overseas-recognised, equivalent qualification pharmacists)	16	15
Law and Ethics Interview Assessment (return-to-practise pharmacists)	19	18

Pharmacist prescriber assessment

The prescribed qualification for this scope of practice is a university-based Post Graduate qualification at either Auckland or Otago University. This qualification is assessed by the Universities.

Number of pharmacists completing Postgraduate Certificate in pharmacist prescribing	Number
2012	14
2013	4

¹ OSCE- Objective Structured Clinical Examination, assessing the ability to deal with common pharmacy situations, with an actor role-playing the patient.

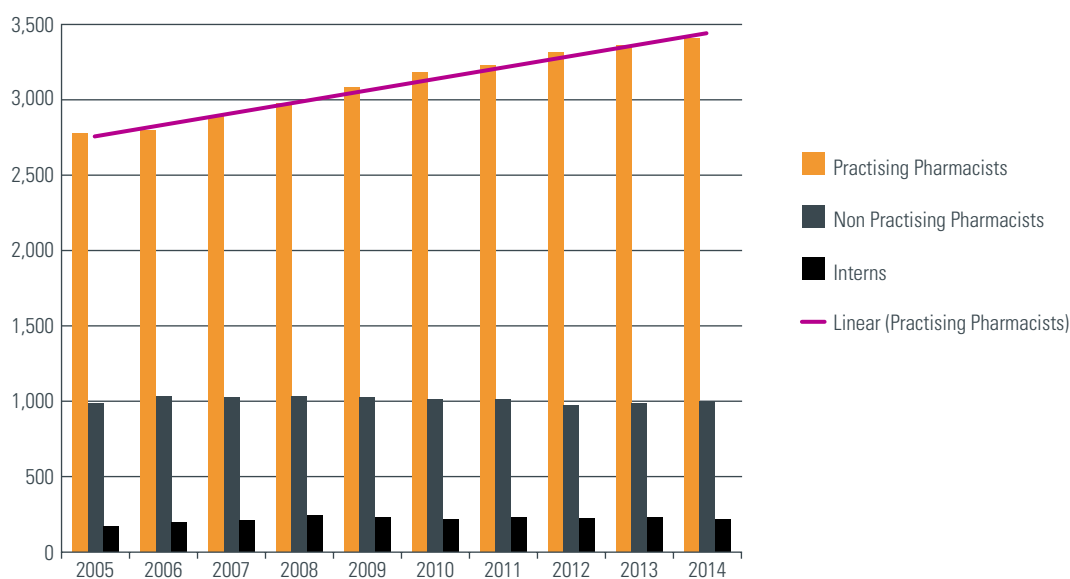
REGISTER

Register totals

As at 30 June 2014 the number of practising pharmacists was 3,406; up 55 (1.6%) from 30 June 2013.

Register numbers as at 30 June	2010	2011	2012	2013	2014
Practising Pharmacists	3,180	3,223	3,304	3,351	3,406
Non Practising Pharmacists	1,001	996	968	978	1,005
Interns	205	221	215	223	218
TOTAL	4,386	4,440	4,487	4,552	4,629

Register Numbers as at 30 June



Additions to the register

225 new pharmacist registrations were processed in the year ended 30 June 2014.

Applications for registration in the pharmacist scope of practice as at 30 June 2014

	2010	2011	2012	2013	2014
New Zealand BPharm and ITP graduates registered in the pharmacist scope of practice	193	170	199 ¹	184	199
Australian pharmacists registered under the Trans Tasman Mutual Recognition Agreement (TTMRA)	3	4	4	12	9
Ireland, Northern Ireland and UK pharmacists registered through the Recognised Equivalent Qualifications Route (REQR)	20	12	8	5	9
Canada/USA(1) pharmacists registered through REQR	2	2	1	3	2
Registrations from other overseas-qualified pharmacists (non-REQR)	7	10	12	11	6
Total new registrations	225	198	224	215	225

¹ Includes one reinstatement to the register

Removals from the register

In the year ended 30 June 2014, 162 pharmacists were removed from the register, down 9 (5.3%) from the previous year.

Removals	2010	2011	2012	2013	2014
Practising register					
Removed at own request s. 142	26	43	71	43	39
Revision of register s. 144(5)	12	31	28	21	18
Deceased s.143	4	4	5	2	3
<i>Sub Total</i>	42	78	104	66	60
Non-practising register					
Removed at own request s. 142	431	46	70	39	59
Revision of register s. 144(5)	47	44	78	66	43
Deceased s.143	2	1	–	–	–
<i>Sub Total</i>	80	91	148	105	102
Intern register					
Removed at own request s. 142	5	–	–	1	–
Total	127	169	252	172	162

Pharmacists leaving New Zealand to practise overseas

In the 12 months ended 30 June 2014, 67 requests for statements of good standing were processed for pharmacists registering with overseas registration boards. This is significantly down from the previous year, a fall of 46 (40.7%). The decline was again driven by a fall in the number of requests from Australia, down 33 (42.3%) from the previous year.

REGISTER DEMOGRAPHICS

A full report on the Register demographics is available on our website.

ANNUAL PRACTISING CERTIFICATES (APC) AND SPECIAL SERVICES

An APC provides assurance that a pharmacist has maintained their professional competence. A pharmacist practising in any of the services described in the scope of practice must have a practising certificate and demonstrate they are maintaining competence in their individual practice by participating in the approved recertification programme.

When pharmacists apply each year for their practising certificate, they complete a section on the type of work, total weeks worked, and average hours worked per week in the last 12 months. This information, along with other demographic data, is collated to provide a comprehensive report on the pharmacy workforce. The data makes an important contribution to health policy development, service delivery planning and research. Key information from the 2014 Workforce Report is available on the Council website.

Pharmacist scope – annual practising certificates issued

A total of 3,705 (including 15 pharmacist prescriber) annual practising certificates were issued in the pharmacist scope of practice. This included 225 new registrations, 103 returns to practice, and 3,377 renewals.

A total of 43 annual practising certificates were issued with conditions as follows:

APC's issued with conditions 2013-2014	Number
Supervision (overseas qualified)	19
Supervision (return to practise >3 years)	18
Health	3
Competence	1
Health Practitioner Disciplinary Tribunal	2
Total	43

Intern Pharmacist scope – annual practising certificates issued

A total of 242 annual practising certificates were issued in the Intern pharmacist scope of practice during the year 1 July 2013 to 30 June 2014.

Annual practising certificates issued ¹	Number
BPharm graduates from New Zealand Schools of Pharmacy	198
Graduates from Australian Schools of Pharmacy	1
Reissues	32
Overseas-qualified pharmacists	11
Total	242

¹ All intern pharmacists have a condition limiting their practise within the scope, to two years.

Accreditation of pharmacists for specific services

The Pharmacy Council accredits pharmacists who have completed the required training for Medicines Use Review (MUR) and Emergency Contraceptive Pill (ECP) dispensing through the NZ College of Pharmacists. In the calendar year to 31 December 2013, 229 pharmacists were accredited to dispense ECP and 59 pharmacists gained MUR accreditation.

Pharmacist Vaccinators

To gain accreditation as a vaccinator pharmacists are required to attend a two day IMAC (Immunisation Advisory Centre) vaccinator training course (which includes a written assessment), and successfully complete a practical clinical assessment. An online IMAC refresher course must be completed every two years to maintain accreditation.

310 pharmacists were on the Register of Accredited Vaccinators at 30 June 2014.

The register may be viewed on the Pharmacy Council website: www.pharmacycouncil.org.nz/standards_guidelines, see Practice Standards & Guidance.



COMPETENCE AND FITNESS TO PRACTISE

RECERTIFICATION

Recertification is a mechanism provided by the Health Practitioners Competence Assurance Act 2003 to ensure pharmacists maintain their competence through continuing professional development. Each year, when applying for an annual practising certificate (APC), a pharmacist must complete a declaration to confirm they have met the requirements.

Implementation of new recertification programme

The Council implemented a new CPD framework in 2013 (see Strategic Goals page 9). By March 2014 all practising pharmacists were required to be enrolled in the approved recertification programme and meet the requirements. The programme is delivered by the Pharmaceutical Society of New Zealand (Inc) and has approval until 2016, subject to meeting conditions.

Consequences of non-participation in recertification programme

Under Council's new policy, if a practising pharmacist is not meeting the recertification requirements, the Registrar may propose to decline an application for an APC or propose a condition of supervision. Pharmacists whose APC applications are received after 31 March are automatically included in the audit.

Recertification audit

516 pharmacists were audited during the year to ensure they were participating in continuing professional development. This is a much larger number than in previous years. As this was the first year of the new policy, we are unable to report on trends. The audit results show that one pharmacist may be practising below the required standard and will be referred to Council to be considered for a Competence Review.

PRACTICE BELOW THE REQUIRED STANDARD OF COMPETENCE

When the Pharmacy Council receives a notification that a pharmacist may pose a risk of harm to the public by practising below the required standard of competence, they may determine that a review of that pharmacist's competence is required. The review process determines whether or not the pharmacist is practising competently, and identifies the areas of weakness. The findings may result in the Council ordering them to undertake a competence programme.

A competence programme is rehabilitative and not punitive in nature. It is designed to assist and support the pharmacist to improve his or her practice. The Council may also deem it appropriate to order a condition on the pharmacist's practising certificate, or that an examination be sat and passed, or that the pharmacist be counselled or assisted, or a combination of any one of these.

Competence notifications

Four new competence notifications were received during the year.

- Two referrals were received from pharmacists, under s.34(1) of the HPCA Act, resulting in a competence review for both pharmacists:
- One pharmacist was referred by the Health and Disability Commissioner resulting in the pharmacist being assisted and supported by a colleague.
- A notification was received from an employer, under s.34(3) of the HPCA Act. The pharmacist's competence was considered by the Council's Professional Standards Committee and no further action was required.

Competence reviews

A competence review conducted in November 2011 that resulted in the pharmacist undertaking a competence programme was completed during the year. This pharmacist was reassessed and found to have improved so that practice is now at the required level of competence. A pharmacist whose competence was reviewed in 2011/2012 continues to work with a practice counsellor as part of his competence programme. The competence of two other pharmacists was reviewed during the year.

Competence programmes

A pharmacist whose competence was reviewed during 2013/2014 was ordered to undertake a competence programme requiring them to work with a Practice Counsellor.

Competence referrals 2013/2014

Source	HPCAA Section	Number
Health Practitioner (Under RA)	34 (1)	2
Health and Disability Commissioner	34 (2)	1
Employer	34 (3)	1
Other	36 (4)	
Total		4

Outcomes of competence referrals

Outcomes	HPCAA Section	Number			
		Existing	New	Closed	Still active
(Total number) Initial inquiries	36	5	4	4	5
No further action		1	1		
Notification of risk of harm to public	35				
Orders concerning competence	38		1		
Interim suspension/conditions	39				
Competence programme	40	2	1	1	3

HEALTH AND FITNESS TO PRACTISE

One of the mechanisms by which the Council protects the health and safety of the public is through the monitoring of pharmacists who are unwell and therefore may not be fit to practise. The Council's Health Committee who is responsible for working with a pharmacist to enable him or her to continue to practise safely where possible. Pharmacists who come under the Health Committee are managed in a considerate, caring and confidential manner.

The Health Committee engages independent medical practitioners to advise it on the pharmacist's fitness to practise and to recommend any measures that may be required to ensure ongoing safety of the public. The process is rehabilitative and may include limiting the pharmacist's practice by imposing a condition, such as, working under supervision, working with a mentor, testing for the presence of drugs, or working in a non-dispensing role.

During 2013/2014 six new health cases were received: five were self-disclosures submitted at APC renewal time and one matter was brought to Council's attention by a health consumer. Medical examinations were ordered for two pharmacists already being monitored by the Health Committee: interim conditions were imposed on the practice of one pharmacist pending the medical examination; the other pharmacist was interim suspended pending a medical examination. Six pharmacists continued to be monitored by the Health Committee. One case was closed during the year. Eight other pharmacists are practising under voluntary agreements.

Notifications of inability to perform required functions due to mental or physical (health) condition

Source	HPCAA Section	Numbers			
		Existing	New	Closed	Still active
Health service	45 (1) a				
Health practitioner	45 (1) b	3	5		8
Employer	45 (1) c	2		1	1
Medical officer of health	45 (1) d				
Any person	45 (3)	1	1		2
Person involved with education	45 (5)				

Outcomes of health notifications

Outcomes	HPCAA Section	Number of practitioners
No further action		
Order medical examination	49	2
Total		2
Interim suspension	48	1
Conditions	48	
Restrictions imposed	50	1



COMPLAINTS AND DISCIPLINE

The Council receives and addresses complaints about the conduct of pharmacists. Any complaints that allege that the conduct or service provided by a pharmacist has adversely affected a patient must be forwarded to the Health and Disability Commissioner.

COMPLAINTS SCREENING COMMITTEE

The Complaints Screening Committee triages complaints referred from the Health and Disability Commissioner to Council, and other concerns received when a pharmacist's practice or conduct has not affected a health consumer. The Committee may decide to refer the complaint to a statutory committee, such as a Professional Conduct Committee, or decide to take no further action. The Committee is a delegated committee of Council and consists of the Chair of Council or Deputy, the Registrar or Deputy, the Professional Standards Advisor, and a lay member of Council.

Of note during the year were dispensing errors involving nortriptyline instead of amitriptyline. This highlights the problem with sound alike medicines that continue to cause confusion. There were also a number of complaints where the incorrect dose of a medicine was selected and dispensed.

The Health and Disability Commissioner advised the Council that he had commenced formal investigations into the practice of five pharmacists and a pharmacy during the year. Ten cases were referred by the Commissioner to Council for action, including, in most cases, a recommendation that the Standard Operating Procedures of the Pharmacy be reviewed.

Six complaints were received from other sources. Of these, two pharmacists were referred for investigation by a Professional Conduct Committee; no further action was taken against two, and two matters were notifications in relation to the competence pharmacists. Three notices of conviction were received and referred to a Professional Conduct Committee as required by the HPCA Act.

Complaints from various sources and outcomes

Source	Number	Outcome			
		No further action*	Referred to Professional Conduct Committee	Referred for consideration of competence review	Referred to the Health and Disability Commissioner
Consumers	6				6
**Health and Disability Commissioner	18	6		1	
Health Practitioner (Under RA)	2	2		1	1
Other Health Practitioner	1		1		
Courts notice of conviction	3		3		
Employer	2	1	1		
Other (including sector organisations)	1				1

PROFESSIONAL CONDUCT COMMITTEES

Professional Conduct Committees are statutory committees with specific functions set out under the HPCA Act. These committees have wide ranging powers, and are independent of Council; although the membership for each committee must be appointed by Council.

Members of these committees collect information relevant to the subject of the investigation, listen to both sides of the matter, avoid bias or any appearance of bias, act promptly while allowing reasonable time for each party to respond, objectively appraise the facts, and exercise the powers under the HPCA Act fairly and independently. In doing so, compliance with natural justice is ensured.

Once a committee has completed its investigation it must make a recommendation or determination or both, as provided for under section 80 of the HPCA Act. Such a decision may include a determination to:

- Take no further action, or
- Lay a charge with the Health Practitioners Disciplinary Tribunal, or
- Submit the matter for conciliation; or
- Make a recommendation that the Council reviews the competence of the pharmacist, or
- Review the fitness to practise of the pharmacist, or
- Review the pharmacist's scope of practice, or
- Refer the matter to the police, or
- Direct that the pharmacist be counselled.

There were six Professional Conduct Committee investigations in progress during 2013/2014. Of these cases two investigations had commenced in previous years. Four matters were concluded during the year of which two resulted in charges being laid with the Health Practitioners Disciplinary Tribunal. Two investigations are ongoing.

Professional Conduct Committee cases

Nature of issue	Source	Number	Outcome
Concerns about standards of practice and conduct	Statutory organisation		
	Practitioner	1	HPDT
	Non pharmacist member of staff		
Driving offence/conviction	Practitioner	3	1 ongoing; 2 no further action
Conviction (Breaches of Medicines Act 1981)	Statutory organisation	1	HPDT
Conviction (Crimes Act 1961 – theft)	Employer notification of Police investigation	1	Ongoing

Number of Professional Conduct Committee cases managed 2013/14

Cases	Number
New PCC cases	4
Existing PCC cases	2
Total cases managed	6
PCC finalised	4

HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL (THE TRIBUNAL)

A Professional Conduct Committee laid one new charge with the Tribunal in the 2013/2014 year. Another investigation, commenced in March 2011, had been on hold pending the outcome of charge for offences against the Medicines Act 1981. The subsequent conviction of this pharmacist resulted in a Professional Conduct Committee laying a charge before the Tribunal. The matter is yet to be heard.

Three existing cases were heard by the Tribunal during 2013/2014:

- The Tribunal made a finding of professional misconduct against two pharmacists. The Tribunal found that their excessive focus on commercial interests overrode their independent professional judgment by positively encouraging the use of close control prescribing and failing to ensure proper systems were maintained.
- A finding of professional misconduct was also made in relation to a pharmacist's lack of professional judgment. This case concerned a complex arrangement with a Canadian online pharmacy. Prescription medicines were provided to North American patients without a prescription genuinely prescribed by a New Zealand registered doctor resulting in patients not receiving the care required by New Zealand standards.

The full decisions of the above cases can be viewed on the Tribunal's website under decisions/pharmacists at: www.hpdt.org.nz

Health Practitioner Disciplinary Tribunal (HPDT) cases 2013/2014

Cases	Number
New cases	1
Existing cases	3
Total cases managed	4
HPDT cases finalised	4
Nature of charges	
* Conviction and professional misconduct ((HPCA Act 100(1)(a) & 100(1)(b) & 100(1)(c))	1
Professional misconduct (HPCA Act 100(1)(a) & 100(1)(b))	3
Outcome of hearings	
Guilty professional misconduct – hearing & finding	3

*Charge laid February 2014 – not yet heard-offences against the Medicines Act 1961; dispensed a prescription medicine without a prescription; non-disclosure of investigation.

COSTS AND FINES AWARDED BY THE TRIBUNAL

Each year the Council meets a large percentage of the costs for pharmacist hearings at the Tribunal. These costs are met by the profession through their discipline levy, which is included in their annual practising certificate fees. The following is a summary of the costs incurred from 2005-2014.

Year of Tribunal Hearing	Total PCC & Tribunal Costs	PCC & Tribunal Costs Included	Costs & Fines Awarded by Tribunal ¹	Costs & Fines Recovered	Recoveries as a % of Total PCC & Tribunal Costs
30 June 2005	\$60,686	\$60,523	\$42,052	\$41,172	67%
30 June 2006	\$70,882	\$48,579	\$24,388	\$24,388	34%
30 June 2007	\$57,545	\$36,427	\$10,928	\$10,928	19%
30 June 2008	\$87,432	\$75,907	\$41,738	\$41,738	48%
30 June 2009	\$136,404	\$101,831	\$45,549	\$45,549	33%
30 June 2010	\$239,949	\$88,394	\$64,938	\$25,050	10%
30 June 2011	\$338,482	\$266,894	\$14,300	\$14,300	4%
30 June 2012	\$200,735	\$117,654	\$25,843	\$25,843	13%
30 June 2013	\$167,334	\$142,145	\$57,525	\$57,525	34%
30 June 2014	\$213,959	\$183,372	\$69,900	\$69,900	33%
TOTAL	\$1,573,408	\$1,121,726	\$397,161	\$356,393	23%

¹ Costs that the Tribunal includes in its calculation of costs and fines to be awarded.



FINANCIAL OVERVIEW 2014

The Council is pleased to report an operating surplus of \$96,928 for the year ended 30 June 2014. This is a positive result compared to budget and has improved the Council's Accumulated Funds to \$864,044. The General Fund has increased by \$20,673 and the Disciplinary Fund has increased by \$76,255.

The Council continues to carefully manage pharmacist funds and APC fees have remained at the same level since 2006. Apart from a 2.5% GST increase and a partial recovery of credit card transaction fees, APC fees have not increased since 2006.

Financial projections indicate the Council will continue to operate at a deficit for the next three years. A fee increase is imminent with additional funding required for database development and the implementation of projects. The Council will continue to review financial projections and consult with pharmacists on any proposed fee increase.

Accumulated Funds

The Council's Accumulated Funds are separated into a General Fund and a Disciplinary Fund. The separate funds provide greater transparency to stakeholders and the net movement in each Fund is shown in Note 12 of the financial statements.

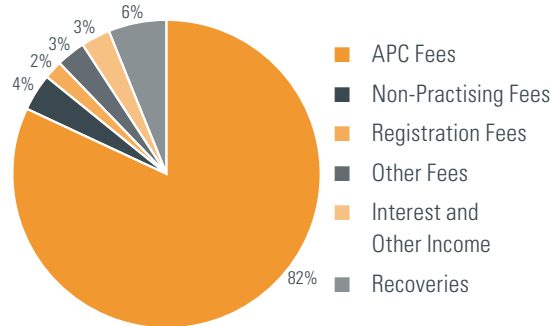
APC Fees

For the APC year commencing 1 April 2014, the APC fee remained unchanged at \$506.00 (GST inclusive). APC Fees are received from interns and pharmacists, and represent 84% of Total Revenue. The APC fee consists of an operational fee and a disciplinary levy. Operational movements are recorded in the General Fund and disciplinary movements are recorded in the Disciplinary Fund.

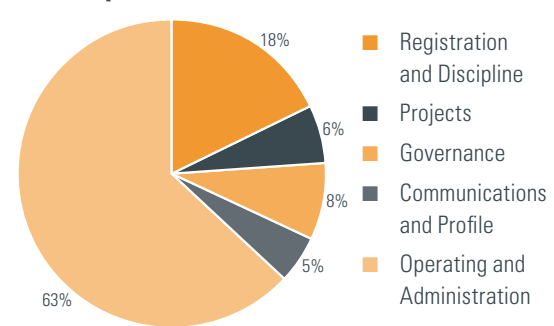
Disciplinary Levy

The Disciplinary Levy is charged to fund the costs of Professional Conduct Committees and Health Practitioners Disciplinary Tribunal hearings. The Disciplinary Levy is currently set at \$71.87 (GST inclusive) and represents 14% of the total APC Fee. Increases to the Disciplinary Levy may be necessary in the future if the cost of disciplinary cases exceed disciplinary revenue.

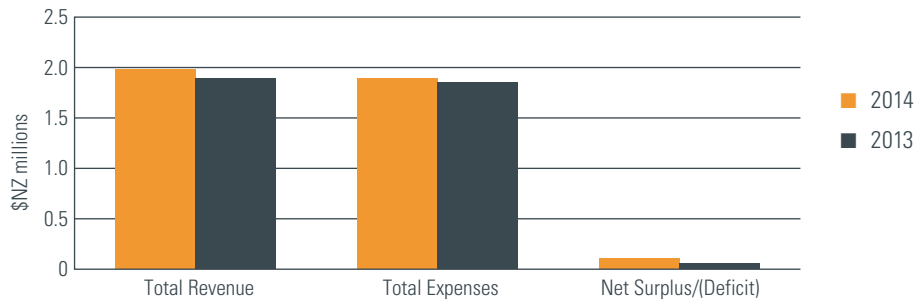
2014 Revenue



2014 Expenditure



2014 Financial Performance



2014 Financial Position



INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF PHARMACY COUNCIL OF NEW ZEALAND'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

The Auditor-General is the auditor of the Pharmacy Council of New Zealand (the Council). The Auditor-General has appointed me, Robert Elms, using the staff and resources of Staples Rodway Wellington, to carry out the audit of the financial statements of the Council on her behalf.

We have audited the financial statements of the Council on pages 33 to 41, that comprise the statement of financial position as at 30 June 2014, the statement of financial performance, statement of movements in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

Opinion

In our opinion the financial statements of the Council on pages 33 to 41:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect the Council's:
 - financial position as at 30 June 2014; and
 - financial performance and cash flows for the year ended on that date.

Basis of opinion

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

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

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the Council's financial statements that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements; and
- the overall presentation of the financial statements.

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

We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Council

The Council is responsible for preparing financial statements that:

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

The Council is also responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the financial statements, whether in printed or electronic form.

The Council's responsibilities arise from the Health Practitioners Competence Assurance Act 2003.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 134(1) of the Health Practitioners Competence Assurance Act 2003.

Independence

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

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



Robert Elms
Staples Rodway Wellington
On behalf of the Auditor-General
Wellington, New Zealand

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2014

Revenue	Note	2014 \$	2013 \$
Annual Practising Certificate Fees	1	1,627,360	1,588,534
Non-Practising Fees		79,943	77,984
Registration Fees		45,903	44,945
Other Fees	2	50,275	57,142
Interest and Other Income		66,831	61,860
Discipline Recoveries		69,900	66,675
Bad Debt Recoveries		36,518	1,350
Total Revenue		1,976,730	1,898,490
Expenditure			
Registration & Discipline	3	348,655	341,652
Projects		105,409	41,749
Governance	4	147,485	155,100
Communications & Profile		91,097	66,973
Operating & Administration	5	1,187,156	1,258,686
Total Expenditure		1,879,802	1,864,160
Net surplus/(deficit) for the period		96,928	34,330

STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2014

	2014 \$	2013 \$
Equity at the beginning of the year	767,116	732,786
Net surplus/(deficit) for the period	96,928	34,330
Equity at the end of year	864,044	767,116

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

	Note	2014 \$	2013 \$
Current Assets			
Cash & Cash Equivalents	6	1,267,515	1,183,640
Term Deposits	7	900,000	850,000
Accounts Receivable		2,688	388
Other Receivables & Prepayments		60,280	51,484
Total Current Assets		2,230,483	2,085,512
Non-Current Assets			
Fixed Assets	8	12,918	21,466
Intangible Assets	9	167	2,008
Total Non-Current Assets		13,085	23,474
TOTAL ASSETS		2,243,568	2,108,986

Current Liabilities			
Accounts Payable		40,376	42,510
Other Payables & Accruals		72,865	56,535
Employee Entitlements		52,488	45,925
Income Received in Advance	10	1,213,795	1,196,899
Total Current Liabilities		1,379,524	1,341,869
Accumulated Equity	11	864,044	767,116
TOTAL LIABILITIES AND EQUITY		2,243,568	2,108,985



Dr Andrew Bary
Chair of Council



Claire Paget-Hay
Chief Executive & Registrar

Date: 25 September 2014

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 2014

Cash flows from operating activities	Note	2014 \$	2013 \$
Cash was provided from:			
Statutory fees and levies		1,818,077	1,792,842
Discipline Cost Recoveries		69,900	45,500
Bad Debts Recovered		36,518	0
Interest & Other Revenue		67,204	69,407
Cash was disbursed to:			
Suppliers and employees		(1,855,947)	(1,859,175)
Net cash inflow from operating activities	12	135,752	48,574
Cash flows from investing activities			
Cash was provided from:			
Term Deposit		0	0
Cash was disbursed to:			
Purchase of Fixed Assets		(1,877)	(12,086)
Term Deposit		(50,000)	(350,000)
Net cash inflow/ (outflow) from investing activities		(51,877)	(362,086)
Net increase/(decrease) in cash held		83,875	(313,512)
Add opening cash and cash equivalents		1,183,640	1,497,152
Closing cash and bank balances		1,267,515	1,183,640
Represented by:			
Cash and cash equivalents		1,267,515	1,183,640

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 2014

REPORTING ENTITY

The Pharmacy Council was established under the HPCA Act 2003 on 18 December 2003 and commenced operations on 18 September 2004.

The Pharmacy Council of New Zealand (Pharmacy Council) is a statutory body and has a duty to protect the public and promote good pharmacist practice. The Pharmacy Council is responsible for the registration of pharmacists, the setting of standards for pharmacists, accreditation of education programmes and ensuring pharmacists are competent to practise.

BASIS OF PREPARATION

These financial statements are a General Purpose Financial Report as defined in the Statement of Concepts of the Chartered Accountants Australia + New Zealand (CAANZ). The financial statements are prepared in accordance with generally accepted accounting practice in New Zealand as defined in that Statement.

DIFFERENTIAL REPORTING

The Pharmacy Council qualifies for Differential Reporting exemptions as 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.

The XRB Board and the NZASB have issued new standards that will apply to public sector public benefit entities from the 2014/15 financial year. The new standards and pronouncements are effective for reporting periods beginning on or after 1 July 2014. The standards require comparative information for the previous financial year to be restated to align with the new standards.

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:

- **Fixed Assets**

Fixed assets are recorded at cost and depreciated on a straight line basis over the estimated useful lives of the assets. Subsequent expenditure that extends or increases the asset's service potential is capitalised. Depreciation rates are:

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

Any Leasehold Improvements and Furniture & Fittings, no longer in existence, have been written off and removed from the financial statements.

- **Intangible Assets**

Intangible assets are recorded at cost and amortised over the estimated useful lives of the assets. Amortisation rates are:

Website	3 years
Computer Software	3 years

- **Goods & Services Tax (GST)**

The financial statements have been prepared on a GST exclusive basis with the exception of Accounts Receivables and Accounts Payables, which are stated inclusive of GST, if any.

- **Receivables**

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

- **Disciplinary Recoveries**

Discipline Recoveries represents fines and costs awarded to the Pharmacy Council by the Health Practitioners Disciplinary Tribunal (HPDT). The amount awarded represents a percentage or a portion of the Professional Conduct Committees (PCC) and the HPDT costs.

Disciplinary Recoveries are recorded as Receivables at the amount awarded by the HPDT. Payment is due by the 20th of the following month and a time extension may be permitted in special circumstances.

If the debt is considered unrecoverable, the amount will be written off as a Bad Debts expense. Any amounts recovered subsequent to write-off will be recorded as Bad Debts Recovered in the Statement of Financial Performance.

- **Taxation**

The Pharmacy Council is exempt from income tax. The Council was registered as a charitable entity under the Charities Act 2005 on 30 June 2008 to maintain its tax exemption status.

- **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. Revenue is deferred in respect of the portion of the annual practicing fee that has been paid in advance.

- **Operating Leases**

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

- **Statement of Cash Flows**

The following are the definitions used in the Statement of Cash Flows:

- cash is considered to be cash on hand, current accounts.
- operating activities include all transactions and other events that are not investing or financing activities.
- investing activities are those activities relating to the purchase of fixed assets, loan repayment and term deposits.
- financing activities are those activities which includes both equity and debt not falling within the definition of cash.

- **Changes in Accounting Policies**

There have been no changes in accounting policies during the period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

(1) Annual Practising Certificate (APC) Fees

Represents APC Fees received from interns and pharmacists for the year. This fee includes an administrative component and a disciplinary levy.

	2014	2013
	\$	\$
(2) Other Fees		
Overseas Pharmacist Fees	38,216	43,640
Other Fees	12,059	13,502
	50,275	57,142
(3) Registration and Discipline		
Registration	103,093	79,788
Discipline	219,063	238,271
Competence & Health	26,499	23,593
	348,655	341,652
(4) Governance		
Councillors Fees*	86,170	95,935
Councillors Expenses	61,315	59,165
	147,485	155,100
*Fees paid to Councillors:		
A Bary	39,471	47,935
J Harrison	4,906	3,840
J Mickleson	–	2,400
J Shaw	–	2,400
K Crump	5,261	6,240
L Te Karu	6,207	6,210
M Bedford	9,730	9,540
M Bennett	6,940	3,780
R Nicoll	–	2,400
T Kani Kingi	6,000	6,630
V Gurrey	7,655	4,560
	86,170	95,935
(5) Operating & Administration		
Amortisation costs	1,841	6,301
Audit fees	10,890	9,590
Bad Debts	–	32,218
Depreciation	10,390	11,335
Eftpos fees	8,402	24,566
Information Technology costs	26,616	41,909
Insurance	18,875	19,339
Legal costs	29,102	18,027
Loss on disposal of assets	35	9,628
Premises & Occupancy costs	96,350	105,644
Operating leases	19,917	17,021
Sundry costs	27,289	26,530
Personnel costs	912,129	909,228
Printing & Stationery	5,000	5,397
Postage & Courier	9,091	8,918
Telecommunications	11,229	13,035
	1,187,156	1,258,686

	2014	2013
	\$	\$
(6) Cash & Cash Equivalents		
Petty Cash	200	200
ANZ – Cheque Account	38,492	27,261
ANZ – Call Account	128,823	56,179
ANZ – Term Deposits	1,100,000	1,100,000
	1,267,515	1,183,640

(7) Term Deposits		
Kiwi bank – Term Deposit	500,000	500,000
ANZ – Term Deposits	400,000	350,000
	900,000	850,000

(8) Fixed Assets

	Cost 30 June 2013 \$	Accum. Depn 30 June 2013 \$	Net Book Value 30 June 2013 \$	Cost 30 June 2014 \$	Accum. Depn 30 June 2014 \$	Net Book Value 30 June 2014 \$
Computer Equipment	77,130	68,045	9,085	70,601	66,151	4,450
Furniture & Fittings	57,533	46,246	11,287	57,533	51,490	6,043
Office Equipment	9,317	8,223	1,094	10,188	7,763	2,425
TOTAL	143,980	122,514	21,466	138,322	125,404	12,918

	2014	2013
	\$	\$
(9) Intangible Assets		
(i) Website		
Cost		
Opening balance	44,643	44,643
Additions during the year	0	0
Closing balance	44,643	44,643
Accumulated Amortisation		
Opening balance	43,976	42,643
Amortisation for the year	500	1,333
Closing balance	44,476	43,976
Book Value	167	667
(ii) Computer Software		
Cost		
Opening balance	29,153	29,153
Additions during the year	0	0
Closing balance	29,153	29,153
Accumulated Amortisation		
Opening balance	27,812	22,844
Amortisation for the year	1,341	4,968
Closing balance	29,153	27,812
Book Value	0	1,341
Total Book Value	167	2,008

(10) Income Received in Advance

Represents APC fees and levies relating to the 2014/2015 year (2013: 2013/2014 year).

(11) Accumulated Equity

The Council's accumulated equity was separated into a General Fund and a Disciplinary Fund during the 2010/2011 year. This was done in response to an increase in disciplinary costs and also to provide greater transparency to stakeholders.

	2014	2013
	\$	\$
General Fund		
Opening balance	464,730	414,710
Movements during the year	20,673	50,019
Closing balance	485,403	464,730
Disciplinary Fund		
Opening balance	302,386	318,076
Movements during the year	76,255	(15,690)
Closing balance	378,641	302,386
Total Accumulated Equity	864,044	767,116

(12) Operating cash flows reconciliation

Net operating surplus/(deficit) for the period	96,928	34,330
Add/(Deduct) non-cash items:		
Depreciation & Amortisation	12,231	17,636
Loss on Fixed Assets Written Off	35	9,628
Add/(Deduct) working capital items:		
Accounts Receivable	(2,300)	14,719
Other Receivables & Prepayments	(9,635)	1,814
Accounts Payable	(2,135)	(8,721)
PAYE/Withholding Tax	7,562	(11,493)
Other Payables & Accruals	8,768	(25,081)
Employee Entitlements	6,563	(4,276)
Income Received in Advance	16,896	19,212
GST Receivable	839	806
Net Cash inflow/(outflow) from operating activities	135,752	48,574

(13) Non Cancellable Operating Lease Commitments

Not more than one year	106,389	44,312
One to two years	7,024	0
Three to five years	1,756	0
	115,169	44,312

The commitments include premises rent of \$94,935 due within one year. Subsequent to balance date, the Council did not enter into any non-cancellable operating lease commitments (2013: \$17,000)

(14) Capital Commitments

There were no capital commitments at balance date. (2013: \$Nil)

(15) Contingent Assets and Contingent Liabilities

There were no contingent assets at balance date. (2013: \$Nil)

There were no contingent liabilities at balance date. (2013: \$Nil)

(16) Delivery of Office Functions

In February 2011, Health Workforce New Zealand (HWNZ), on behalf of the Minister of Health, issued a consultation document proposing a single shared secretariat and office function for all 16 health regulatory authorities (RAs). As at 31 March 2014, this proposal is no longer under consideration with any uncertainty disclosed in previous years being removed.

(17) Related Parties

Council members are paid fees for attending to Council, as disclosed in Note 4. In addition, some Council members are paid fees for work in connection with various sub committees and working groups. Certain Council members are also practising pharmacists and deal with the Pharmacy Council of NZ on the same basis as other pharmacists. There were no other related party transactions.

(18) Events after Balance Date

No events occurred subsequent to balance date. (2013: \$Nil)

COMMITTEES AND APPOINTMENTS

Finance Audit And Risk Management Committee (FARMC)

The Finance, Audit and Risk Management Committee is a subcommittee appointed by the Council to assist it in discharging its responsibilities relating to financial accountability, the control framework and risk management.

Membership

Mark Bedford (Chair) *from February 2013*

Dr Andrew Bary

Viv Gurrey

Marie Bennett (alternate member from November 2013)

Complaints Screening Committee (CSC)

The CSC assesses complaints referred (pursuant to section 34(1)(a) of the HDC Act) from the HDC and discharges the Council's obligations pursuant to sections 65 and 68 of the HPCAA. The Committee considers the nature and circumstances of the complaint or concern and determines what, if any, action or actions are appropriate to be taken to respond to the complaint or concern. The CSC has delegated authority under section 17 of Schedule 3 of the HPCAA.

Membership

Dr Andrew Bary, (Chair) alternate Mark Bedford

Claire Paget-Hay, Chief Executive & Registrar, alternate Jenny Ragg, Deputy Registrar to 2 May 2014, Owain George, Deputy Registrar from 5 May 2014

Barbara Moore, Professional Standards Advisor

Viv Gurrey

Health Committee

The Health Committee has delegation from Council to consider notifications made under section 45 of the HPCAA, concerning pharmacists who may be unable to perform the required functions of a pharmacist owing to some mental or physical condition. The Committee monitors and assesses pharmacists.

Membership

Keith Crump (Chair)

Claire Paget-Hay, Chief Executive & Registrar

Dr Te Kani Kingi

Leanne Te Karu, alternate Jeff Harrison

Professional Conduct Committee (PCC)

PCC receives complaints referred from the Pharmacy Council with respect to professional conduct issues as well as notices of conviction received by the Council under section 67 of the HPCAA. Each PCC adopts and follows procedures that ensure that the pharmacist, the Pharmacy Council and the complainant are kept informed about the 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 investigation. A PCC is established to address individual issues, and membership comprises three persons: two pharmacists and one layperson.

Pharmacist Members

Debbie Wallace
Richard Young to March 2014
Derek Lang
Nikki Anderson
Muhammad Naseem (Joe) Asghar
David Mitchell
Melissa Copland
Katrina Azer
Peter Cooke
Kirsty Croucher
Pamela Duncan

Rachel Eaton
Prudence Fraser
Christopher Leung
John Munn
Charlotte Schimanski
Andrea Wilson

Lay Members

Dr Judith Johnston (Convenor)
Karen Harvey (Convenor)

Pre-Registration Assessment Board (PRAB)

The purpose of the Preregistration Assessment Board is to monitor the assessment methodology and tools of the Intern Training Programme (ITP), and to review the evidence gathered on individual intern pharmacists completing the programme. The Intern Training programme is a prescribed qualification for registration in the pharmacist scope of practice.

The PRAB has responsibility delegated from the Council to determine whether intern pharmacists meet the standard required to register in the pharmacist scope of practice.

PRAB Board Members

Keith Crump (Chair)
Hesham Al-Sallami
Assoc Prof Janie Sheridan
Murray Adams
Mary-Anne O'Rourke* (Chair of moderation sub-committee)
Anna Kurth*, Dianne Wright*

** Also Members Moderation Sub-Committee*

Professional Standards Committee (PSC)

The PSC has delegation from Council to make enquiries into, and decides whether or not to review, the competence of pharmacists. This is a function described under s. 36 of the HPCAA. This is in response to notifications made to Council that suggest that a pharmacist may pose a risk of harm to the public by practising below the required standard of competence.

Membership

Mark Bedford, (Chair) alternate Leanne Te Karu
Barbara Moore, Professional Standards Advisor
Owain George, Registrations Manager/Competence to 5 May 2014, Advisor Deputy Registrar from 5 May 2014
Dr Te Kani Kingi

Law and Ethics Interview Assessors

Pharmacists are required to complete supervised practice on return to practice, as well as those registering under Trans Tasman Mutual Recognition (TTMRA) from Australia or under REQR (UK, Ireland, USA and Canada). They are assessed for their knowledge and understanding of New Zealand Pharmacy law and ethics. Council has appointed the following pharmacists to undertake these interviews on its behalf.

Membership

Vicki Hollings, Northland

Jenny Cade, Auckland

Julie Earwaker, Auckland

Anne Davies, Hamilton, to April 2014

Derek Lang, Rotorua

Daphne Earles, Mt Maunganui

Di Vicary, Hawkes Bay

Catherine Keenan, New Plymouth

Glen Caves, Palmerston North

Amanda Stanfield, Wellington

Debbie Wallace, Wellington

Chris Budgen, Nelson

Daryl Sayer, Christchurch

Kate Shaw, Christchurch

Patricia Napier, Dunedin

Bernie McKone, Gore

Competence Review Team and Practice Counsellors

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.

A number of pharmacists have been appointed as Competence Reviewers by the Council. Some of these pharmacists have also been appointed as Practice Counsellors, who 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.

Health Practitioners Disciplinary Tribunal (HPDT)

Tribunal Members are appointed by the Minister of Health. Three pharmacists and one lay person are selected for each Tribunal hearing. For further details see www.hpdt.org.nz

Chair

Bruce Corkill QC to 30 April 2014

David Carden from 19 June 2014

Deputy Chairs

Kate Davenport to 12 July 2013

Maria Dew from 17 July 2013

David Carden to 19 June 2014

Ken Johnston from 20 June 2014

Pharmacists

Maryanne Baker

John Dunlop

Daphne Earles

Kas Govind

Mary-Anne O'Rourke

Daryl Sayer

Dianne Vicary

Pharmacy Council Representation On Outside Bodies

Heads of Schools and Professional Organisations in Pharmacy (HOSPOP) – *Dr Andrew Bary*

Otago University School of Pharmacy, Board of Studies – *Keith Crump*

Otago University School of Pharmacy, Admissions Committee – *Claire Paget-Hay*

University of Auckland School of Pharmacy, Board of Studies – *Marie Bennett*

Australian Pharmacy Council (APC) Council director – *Mark Bedford*

Australian Pharmacy Council Accreditation Committee – *Barbara Moore*

Australian Pharmacy Council Examining Committee – *Barbara Moore*

Health Regulatory Authorities of New Zealand (HRANZ) – *Dr Andrew Bary*

Pharmacy Industry Training Organisation (PITO) – *Barbara Moore*

Bpac NZ Clinical Advisory Group – *Barbara Moore*

Community Pharmacy Services – Quality & Assurance Work Group – *Barbara Moore*

Pharmacy Reference Group for the Implementation of the Strategy for Maori Health (PRISM) – *Dr Te Kani Kingi, Claire Paget-Hay, Barbara Moore*

COUNCIL STAFF

Chief Executive and Registrar

Claire Paget-Hay Sec Teachers' Diploma, Dip HR Management (appointed December 2012)
Manages the overall regulatory functions of the Council and is responsible for the general management of the organisation.

Executive Assistant to Chief Executive and Registrar

Trudi Thomas-Morton

Provides support to the Chief Executive and Registrar, the Council and general office.

Deputy Registrar

Jenny Ragg (resigned 2 May 2014)

Owain George BPharm, PhD, MPS, RegPharmNZ
(appointed 5 May 2014)

Receives information from health practitioners, employers and the HDC relating to the competence of health practitioners. Manages procedures for complaints, fitness to practise and notifications.

Registrations Manager

Owain George BPharm, PhD, MPS, RegPharmNZ
(to 2 May 2014)

Manages the registrations team and is responsible for all registration procedures and maintenance of the register. Provides policy and procedures advice for ensuring the competence of pharmacists (including competence review and recertification).

Registrations Officer

David Priest

Processes applications from overseas-qualified pharmacists seeking registration in New Zealand and New Zealand-qualified pharmacists returning to practise.

Registrations Officer

Sue Thompson

Processes applications for intern registrations and intern transfers to the pharmacist scope of practice. Provides administrative support for the recertification process.

Assessment & Examinations Manager

Peter Lourié

Responsible for managing the development, implementation, and quality of the Objective Structured Clinical Examination (OSCE) Assessment Centre and written exams for interns and for developing, managing and monitoring assessments for overseas pharmacists seeking registration in NZ.

Professional Standards Advisor

Barbara Moore, Dip Pharm, Dip Bus Stud, MPS
RegPharmNZ

Responsible for setting, reviewing and monitoring standards for pharmacy practice.

Finance Manager

Mary Yee CA

Manages the finance team and is responsible for the overall financial and accounting policies and procedures.

Assistant Accountant

Diana Harding

Processes day-to-day accounting tasks and provides general accounting support to the Finance Manager.

Accounts Assistant

Maree Dawson

Processes accounts payable and receivable, processes payroll and provides general accounts assistance.

GENERAL CONTACT DETAILS

Physical address:

Level 5, FX Networks House
138 The Terrace
Wellington 6011

Postal address:

PO Box 25137
Wellington 6146

Solicitors

Kensington Swan
PO Box 10246
Wellington 6143

Claro Law
PO Box 1145
Wellington 6142

Bankers

ANZ Banking Group (New Zealand) Ltd
215 – 229 Lambton Quay
Wellington 6011

Auditors

Staples Rodway, Wellington
PO Box 1208
Wellington 6140



Te Pou Whakamana Kaimatu o Aotearoa