



Annual Report and Accounts 2015-16

For the year ended 31 May 2016

Pharmaceutical Society of Northern Ireland

Annual Report and Accounts 2015-16

For the year ended 31 May 2016

Laid before the Northern Ireland Assembly under Articles 4C and 4D of the Pharmacy (Northern Ireland) Order 1976 by the Department of Health on

19 September 2016

© Pharmaceutical Society of Northern Ireland (2016)

The text of this document (excluding the logo and branding) may be reproduced free of charge in any format or medium providing it is reproduced accurately and not in a misleading context. The material must be acknowledged as Pharmaceutical Society NI copyright and the document title specified.

Any enquiries about this publication should be sent to us at the Pharmaceutical Society NI, 73 University Street, Belfast BT7 1HL

Email: info@psni.org.uk

Telephone: **028 9026 7933**

This publication is available from our website at www.psni.org.uk

Contents

1. President's foreword	3
2. Chief Executive's foreword	5
3. Who we are	7
4. A New Era – Corporate Strategy 2013-16.....	9
5. Proportionate and progressive regulation	10
6. Fit for purpose education	17
7. Robust, timely, transparent and fair Fitness to Practise.....	20
8. Regulatory leadership and responsiveness	25
9. Effective communications and relationships	28
10. Governance in the public interest	31
11. Internal Control Report	35
12. Pharmacy Forum NI	37
13. Financial Statements	46

1. President's foreword

Dr Jim Livingstone

As the regulator of the pharmacy profession in Northern Ireland our core function is to help protect patients and the wider public by ensuring pharmacists provide safe and quality services in Northern Ireland. In February 2016 we launched The Code, which outlines the minimum professional standards of conduct, ethics and performance expected from all pharmacists on the Register. This new Code replaced and updated the Code of Ethics (2009) and serves as the cornerstone of our work as a regulator and informs all the Professional Standards and Guidance documents we produce.

The publication of The Code, which came into effect in March 2016, was the result of an extensive period of engagement and consultation with the public and the profession, to whom we are indebted, in Northern Ireland. As a result of our engagement work we have made The Code a simpler and more succinct document for pharmacists to use and the public to understand.

The Code's core principle remains 'always put the patient first', but it also introduces additional sections on the duty of candour; raising concerns; communications, partnership and teamwork; maintaining professional boundaries; and using social media. This brings The Code up to date with current regulatory focus; it will help pharmacists in their daily practice and reinforce the high standards in local pharmacy to the public.

This last year also saw the organisation consult on and propose increases in certain registrant fees. Members of Council appreciate that nobody welcomes an increase in fees. However, with the last increase being in 2009, we are pleased that we have been able to keep the changes considerably below the prevailing rate of inflation. With the Regulator gaining new powers in 2012, even though we have introduced significant efficiencies, the costs of regulation have nonetheless increased. Inevitably we have had to cover some of these additional costs of regulating the pharmacy profession through an increase in certain fees.

This process was further complicated by the discovery of historical anomalies in the legislative basis for some fees. I would like to take this opportunity to again assure all registrants and pre-registrant students that Council has worked with the Executive team to regularise our entire fees structure to provide those who pay a fee, with a fair framework, which is accessible and transparent. As part of modernisation of pharmacy regulation we will be seeking a simpler more flexible arrangement for setting and altering fees which will allow us to better ensure that fees are apportioned across our activities in a proportionate and fair manner.

An outworking of this work on fees has brought greater clarity to our relationship with the Department of Health Northern Ireland in relation to the making and approval of our Regulations. As a consequence Council has asked the Executive team to carry out a review of compliance with all current and historic Regulations.

This last year also saw The Department of Health Northern Ireland carry out a consultation on the future of pharmacy regulation in Northern Ireland. Council responded with its considered opinion that, in the interests of the public and pharmacists alike, pharmacy regulation should be carried out by a devolved regulator, but with the full separation of professional representation and regulation. In its response Council expressed disappointment at the quality of evidence and information provided in the consultation document and stated its concern that an objective assessment of the options presented would be difficult for the public and registrants to make on the basis of the information provided.

We have also actively participated in the wider review of the regulation of health care professionals across the United Kingdom and await the outcome of both reviews with keen interest.

Going forward, 2016 will see the end of the Council's Corporate Strategy, "A New Era". I will lead the work on renewing our Strategy for the coming years, focusing on ensuring that we are proportionate, fair and transparent in all that we do and recognising the need to ensure the burden of regulations is minimised.

2015/16 saw three Council members reach the end of their appointments. I wish to thank Helena Buchannan, Dr Lisa Byres and Brenda Maitland for their extraordinary commitment to and support for the Pharmaceutical Society NI and public safety generally and wish them well in their future endeavours.

This report further outlines the work and achievements of the organisation in 2015/16. By virtue of our legislation, the Pharmaceutical Society NI also holds responsibility for professional leadership. As the responsible regulator of the pharmacy profession Council recognises that it has no mandate to perform this function and through a robust scheme of delegation it has delegated all leadership functions to the Pharmacy Forum. The Pharmacy Forum's Annual Report is appended to this report.

Finally, I want to record my thanks, and that of Council, to the Chief Executive and all his staff for their unstinting dedication and hard work in supporting the Council and delivering on a diverse range of objectives and services over the last year.



Dr Jim Livingstone, President

2. Chief Executive's foreword

Mr Trevor Patterson

Throughout this report you will read much about our operational performance and our plans for the future. Some of the highlights of the past year included the launch of our new Code – it was particularly pleasing to note the level of engagement we enjoyed at introductory events following its launch.

This year also saw the introduction of a duty to set premises standards and we have commenced work with stakeholders on their development ahead of a full public consultation – we intend to focus on outputs rather than prescriptive checklists, thereby enabling owners and superintendents to use a variety of ways to meet the standards.

The 'Rebalancing Pharmacy Legislation and Professional Regulation Programme Board'¹ is a major external driver for our current activity and future plans – there have been a number of legislative delays, at least in part due to a change of UK Government and delays around the pre-election period for the devolved administrations. We hope to see progress on the dispensing errors Section 60 Order for primary care as it is next in line for approval, the recent referendum result has, however, created some challenges for UK legislators and associated resources.

Following on from Dispensing errors in community pharmacy the next scheduled focus is around dispensing errors in hospitals and responsible and superintendent

¹ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Lords/2015-12-17/HLWS421/>

pharmacist standards. I hope that as each of these proposals goes to consultation all interested stakeholders make their views known through the response forms.

There will also be a need for this organisation to review the effects of leaving the European Union on local pharmacy regulation. The presence of a land border between us and the Europe Union brings its own unique challenges and we will need to ensure that our approach meets the expectations of our Government and the needs of public safety.

We were the subject of a consultation by Department of Health Northern Ireland this year around the future of pharmacy regulation in Northern Ireland. Council made a detailed response² to the consultation in which they very much welcomed the long awaited decision to modernise regulation, accepted the need to separate fully leadership and regulatory functions but went on to express concerns about the consultation itself and its consequent suitability to provide information to the consultees to allow the Department to make an objective assessment of options based upon responses.

There is a wider review ongoing around regulation in healthcare throughout the UK which seeks to improve effectiveness whilst increasing autonomy and seeking to contain costs³. This review will require considerable resource and political will in both Westminster and the devolved administrations and again is likely to be dependent upon resource levels – we will be pressing for necessary reform in Northern Ireland at the earliest opportunity.

You will recall that in the last report we identified historical errors in fees charged dating back some twenty years – we have agreed with the Department of Health new protocols for making and approving Regulations which will substantially improve the making and understanding of these Regulations and are currently reviewing compliance with all current and historic Regulations.

We will also ensure that our internal auditors carry out an audit of regulatory compliance during the year 2016 / 2017.

Our programme of cost savings continues and I am particularly pleased to note savings, identified in the body of this report, across a number of heads, but in particular around Fitness to Practise and savings arising from IT improvements. Thank you to all registrants that used our on-line retention facility this year and I hope that you are enjoying the improvements in our CPD website and for those at the start of their career, the Pre-registration website.

² <http://www.psni.org.uk/wp-content/uploads/2012/10/PSNI-Council-Review-of-Pharmacy-Regulation-in-Northern-Ireland-consu....pdf>

³ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Lords/2015-12-17/HLWS421/>

Finally, in this year's report we have endeavoured to be more concise than in previous years and to focus on key areas of past performance and future focus, we are keen to hear your views on this approach; please do give us your view by responding to info@psni.org.uk

I look forward to another busy year, working with you and all of our partners to continuously improve what we do and how we do it.



Trevor Patterson, Chief Executive

3. Who we are

We are the statutory regulatory body for pharmacists in Northern Ireland.

It is estimated 10 per cent of Northern Ireland's population visit a community pharmacy every day⁴. It is our job to ensure that pharmacists and the services they deliver from registered pharmacies are safe and protect the wellbeing of those who use them. Through our work we aim to maintain public confidence in the pharmacy profession.

Our role, powers and responsibilities are set out in the Pharmacy (Northern Ireland) 1976 (Amendment) Order (Northern Ireland) 2012.

We are funded by fees paid by pharmacists for their professional registration and by premises owners, to retain their premises registration. We are not funded by the public purse.

Our work touches the lives of pharmacists from the day they start their training to the date they retire and leave the Register.

We have a governing Council which is independently appointed and is made up of seven members of the public and seven pharmacy professionals. The Chief Executive of the organisation is accountable to the Council which sets the strategic direction of the organisation.

We are a fully devolved regulator and are accountable to the Northern Ireland Assembly.

We are based in Belfast and have a small staff team of 13 people.

⁴ http://www.hscbusiness.hscni.net/pdf/Guidance_document_SH_pilot.pdf

What we do

We work with pharmacists from the day they start their training and throughout their career to protect the public by ensuring practising pharmacists are fit to practise and keep their skills and knowledge up to date.

Our key areas of focus are:

Education and Training

- Setting standards, accrediting courses and approving qualifications for undergraduates and pharmacists
- Assuring the quality of the year-long pre-registration training, that pharmacist trainees must undertake
- Setting and running the final assessment that candidates must pass before they can be registered as a pharmacist
- Ensuring that pharmacists complete an annual Continual Professional Development (CPD) programme, keeping their skills and knowledge up to date.

Registering competent professionals

Pharmacists have to be registered with us to practise in Northern Ireland.

Setting and monitoring professional standards

Pharmacists must meet our Standards to remain on the professional Register.

Taking action when our standards are not met

Actions can include suspending someone from working as a pharmacist for a set period, placing conditions on their practise or removing their right to practise pharmacy by removing them from the professional Register.

We investigate complaints

We work with partners in the Department of Health Northern Ireland (DoH) to ensure any complaint made against a pharmacist is appropriately investigated and pharmacy premises are regularly inspected.

Oversight of our work

Our work as a regulator is subject to oversight by the Professional Standards Authority for Health and Social Care (PSA). Each year the PSA assesses our performance against its Standards of Good Regulation. The PSA presents a report on all the regulators of healthcare professionals in the UK, to the UK Parliament and lays it before the Northern Ireland Assembly⁵.

⁵ <http://www.professionalstandards.org.uk/what-we-do/our-work-with-regulators/read-performance-reviews>

The PSA also reviews all final adjudication decisions in fitness to practise cases. If it thinks a decision is unduly lenient, it can ask the High Court to look at the case.

The PSA can also audit a sample of fitness to practise cases we have closed at an early stage.

We are accountable to the Northern Ireland Assembly for all that we do.

The Minister for Health Northern Ireland appoints our Council members, in line with the Code of Practice issued by the Office of the Commissioner for Public Appointments for Northern Ireland. DoH approves Council Regulations, before they are laid with the Northern Ireland Assembly for final consent.

4. A New Era – Corporate Strategy 2013-16

As a modern regulator a focus on patient safety is at the forefront of our work. To reflect this focus, our corporate strategy - 'A new Era 2013-2016' - provides the organisation with values which inform the vision and mission and set a clear strategic direction based on six key objectives. '**A New Era**' runs until the end of 2016.

Vision

The Pharmaceutical Society NI will continue to be recognised as a proactive, exemplary regulator which is trusted by patients, respected by registrants and has the confidence of the public and legislators.

Mission

The Pharmaceutical Society NI will continue to place patient safety at the heart of everything that it does; maintain the confidence of the public and respect registrants.

Values

In all of its work the Pharmaceutical Society NI will:

- Place public safety at the centre of its activities
- Seek, respect and take account of the views of all stakeholders
- Be independent and operate with integrity at all times
- Develop and implement policies and procedures which are fair, proportionate and transparent
- Focus on continuous improvement and innovation.

Key objectives

'A New Era' is built on six key objectives against which detailed balanced scorecards have been developed to ensure implementation. The remainder of the Annual Report will focus on progress made against the key objectives of the organisation.

- **Proportionate and progressive regulation**
- **Fit for purpose education**
- **Robust, timely , transparent and fair fitness to practise**
- **Regulator leadership and responsiveness**
- **Effective communication and relationships**
- **Governance in the public interest.**

5. Proportionate and progressive regulation

The basis for proportionate and progressive regulation and protecting the public is the professional Register⁶. The Register is a publically accessible online system which tells patients, members of the public, employers and pharmacists who is registered with the Pharmaceutical Society NI and therefore entitled to practise in Northern Ireland. We publish a list of registrants who are eligible to practise, including any conditions to which their practise is subject and a list of individuals who have been removed from the Register for Fitness to Practise (FtP) reasons.

To be able to practise in Northern Ireland and be placed on the Register, pharmacists must meet our educational and training standards and continually meet our professional conduct, health and ethical standards, which are designed to keep patients safe.

If anyone is practising pharmacy in Northern Ireland and is not on the Register they are breaking the law and can be prosecuted.

We also maintain a register of trainee pharmacists, firstly ensuring they have the required qualifications to enter our mandatory and supervised year of practical training, which they must successfully complete before they can apply to the professional Register.

In addition we maintain a register of pharmacy premises, ensuring that only properly registered premises are able to operate and requiring them to meet our Premises Standards.

During 2016/17 we will be reviewing Premises Standards with a view to introduction of output based, progressive standards which will enable innovation whilst maintaining safety.

We will continue our involvement with the Rebalancing Medicines Legislation and Pharmacy Regulation Programme Board which will continue to consider further

⁶ <http://www.psn.org.uk/search-register/>

devolution of powers from ministerial regulation to us, enabling greater agility and responsiveness. In the coming programme we will consider superintendent and responsible pharmacist roles, changes to the approach to criminalisation of dispensing errors in both primary and secondary care and supervision generally.

Checking the Register

Any member of the public can check whether an individual is on the Register and whether a pharmacy is registered on our Premises Register. This can be done using the following link: <http://www.psni.org.uk/search-register/>

It is the duty of every employer to check the current registration status of all employed pharmacists, including locums, before the engagement of, and for the duration of the engagement of their services.

The number of pharmacists on the Register changes each year due to new pharmacists entering the Register, voluntary withdrawals, withdrawals made by the regulator⁷ and deaths.

Figure 1 – Registered Pharmacists and premises.

	2015/16	2014/15	2013/14
Registered Pharmacists	2,303	2,234	2,155
Registered premises	549	552	549

Removal from the Register

Pharmacists can remove themselves from the Register by applying to voluntarily withdraw by submission of an application form subject to fulfilling any CPD responsibilities and the absence of any fitness to practice concerns. Alternatively pharmacists can and have been administratively removed either for the non-payment of the annual retention fee; or non-compliance with CPD requirements.

Small numbers of pharmacists are 'struck off' as one of the outcomes of FtP inquiries.

⁷ Registrants are removed from the Register by the regulator for the non-payment of fees, non-compliance with CPD requirements, or as the outcome of a Fitness to Practise hearing.

Figure 2 - Registered Pharmacists leaving the Register by 1 June annually

Reason for removal	2015-16	2014-15	2013-14
voluntarily withdrawals	126	117	130
Non-compliance with CPD requirements	6 ⁸	26	10
Non-payment of fees	9 ⁹	14	4
Deceased	N/A	1	0
Struck off	4	4	1

Timely Registration

It is illegal for an individual to practise pharmacy in Northern Ireland unless they are on the Register. It is therefore of primary importance to pharmacists and in the interests of maintaining public confidence in the profession, that the registration process is as efficient and effective as possible. In order to measure our performance we maintain the following Key Performance Indicators (KPIs)

See Figure 3 for performance against Registration KPIs in 2015/16.

Large uptake in online retention option

2015/16 saw the organisation deliver further improvements to the online retention system with a view to maximising registrant uptake.

As of the 15 June 2016, 83.5% of registrants had paid their retention fee online, compared to 40% in 2014/15. This is an extremely positive response to the organisation's drive to encourage registrants to switch to the online system.

⁸ Six individuals were removed from the Register for non-compliance with CPD requirements on 4 August 2015.

⁹ Nine individuals were removed from the Register for non-payment of fees on 1 September 2016

Figure 3 – Performance against registration KPIs – 2015/16

Retention Pharmacists	KPI	% Met
Retention letters distributed to pharmacists	before 01 June 16	100
Submissions processed	before 30 June 15	100
Statutory letters sent out	on 01 July 15	100
Non payees removed	on 01 September 15	100
Notification email to registrants and relevant bodies	on 01 September 16	100

Retention premises	KPI	% Met
Retention packs distributed to pharmacies	before 01 January 16	100
Submissions processed	before 31 January 16	100
Statutory letters sent out	on 01 February 16	100
Non payees removed	on 01 April 16	N/A
Web notification	on 01 April 16	N/A

Students transition to pharmacy Register from the student register	KPI	% Met
Applications		
Number	195	
Processed seamlessly	Registered on anniversary of start date or first possible date there after	98
Web notification	Same day registered	100

New Pharmacists	KPI	% Met
Applications		
From former registrants	next day	54
From applicants first registered in GB	<5 days	82
From applicants first registered in EU	<5 day	N/A
From applicants first registered outside EU		N/A

Students	KPI	% Met
Applications		
Acknowledged	same day	100
Processed if complete	next day	100
Notification to applicant	next day	100
Web notification	next day	100

Council is reviewing the KPIs for the business following an internal audit this year, which identified that arguably too many KPIs were established and that the 100% compliance requirement is unreasonable for some.

Certificates of Current Professional Status

Pharmacists currently registered in Northern Ireland who wish to apply for registration to practise in another country require a 'European Certificate of Current Professional Status' to be sent on their behalf to the relevant registration authority. This certificate will confirm a registrant's/former registrant's good standing with the Pharmaceutical Society NI, and also outline details about their registration, i.e. university attended, qualification and preregistration training details.

Figure 4 - Certificates of Current Professional Status Issued

Year	2015/16	2014/15	2013/14
CCPS issued	180	141	152
CCPS received	47	7	9

New Code launched

We launched *The Code, Professional standards of conduct, ethics and performance for pharmacists in Northern Ireland*, (The Code) in February 2016, with The Code coming into effect on March 1 2016.

Proportionate and progressive regulation includes ensuring our regulatory Standards meet the necessary requirements to maintain patient and public safety.

With a view to maintaining and enhancing patient and public safety, The Code updates the standards of conduct, ethics and professional performance to be upheld by, and expected of, every registrant, regardless of their scope of practice. It supports the organisation's regulatory policies and procedure and it underpins all other professional standards and guidance documents issued by us.

Following a period of extensive engagement with the public and the profession, a number of changes were made to the previous Code of Ethics (2009) with a view to improving the usability of the document and ensuring The Code reflects regulatory changes and changes in pharmacy practice.

The Code has seen a reduction of key principles from eight (2009) to five in the current code.

Key Principles

- 1. Always put the patient first**
- 2. Ensure the provision of a safe and quality service**
- 3. Act with professionalism and integrity at all times**
- 4. Communicate effectively and work properly with colleagues**
- 5. Maintain and develop your knowledge, skills and competence**

The Code also introduces a number of additional key concepts and standards which reflect changes in practice and regulation. These include:

Duty of Candour

A new section on the '**duty of candour**' reflects that registrants have a professional responsibility to be open and honest with patients or services users when things go wrong.

Raising Concerns

The Code underlines the duty of pharmacists to put the patient first at all times and where there is a concern about the treatment and care of a patient, this must be raised with the appropriate authorities or others so as to protect the patient. In addition, there is a duty for employing organisations to support staff to raise concerns openly and safely without fear of recriminations.

Communication, partnership and teamwork

Poor communication can be detrimental to effective working relationships and the delivery of quality care, The Code emphasises the importance and requirements to communicate well and work effectively with others.

Maintaining Clear Professional Boundaries

A section has been added to The Code to bolster the fact, that in light of the reality that pharmacists are placed in a position of trust, they must always maintain appropriate and professional relationships with their patients and service users.

Use of Social Media and electronic communication

This reflects that professionals need to consider and maintain their professional standards and ethics when using social media and electronic communication.

Continuing Fitness to Practise

We are continuing to progress our plans for a Continuing Fitness to Practise (CFtP) model for pharmacists in Northern Ireland to assure the public that pharmacists meet standards for safe effective practice throughout their careers. We are proposing a three-component 'straw model' with the following elements: two scheduled CPD cycles evidencing a 'reflective' approach to practice; a cycle on 'peer discussion'; and, a cycle involving a 'case study' around Principle 4 of the new Code, "communicate effectively and work properly with colleagues".

This proposed 'straw model' will be subject to engagement and consultation with the public and pharmacy profession and will be tailored to the needs and context of pharmacy in Northern Ireland.

Updates on progress will be provided via our routine communications and the relevant section of our website.

European Professional Card

The European professional card (EPC) became available from 18 January 2016 for five professions including pharmacists.

The EPC is an electronic certificate issued via the first EU-wide fully online procedure for the recognition of qualifications. This digital procedure is based on the well-established Internal Market Information System (IMI)¹⁰ and allows professionals to communicate with the relevant authorities inside a secure network. The IMI also provides for an official, multilingual communication channel between the regulating authorities for professionals in EU countries to facilitate their cooperation and enhance mutual trust.

The EPC does not replace the 'traditional' recognition procedures under the Professional Qualifications Directive, but it does offer an advantageous option for professionals who wish to work either temporarily or permanently in another EU country.

No EPCs were issued or received by the Pharmaceutical Society NI from January to May 2016

The Alert Mechanism

To ensure that EU patients and consumers are adequately protected, the Commission has also introduced an Alert Mechanism. The Competent Authorities of EU countries are required to quickly warn each other through the IMI of professionals in the health and education of minors sectors who:

¹⁰ http://ec.europa.eu/internal_market/imi-net/index_en.htm

- have been prohibited or restricted from practicing the profession in one country
- have used falsified diplomas for their application for the recognition of their qualification.

The Pharmaceutical Society NI is established as a competent authority to issue and receive the EPC and alerts to support patient safety and increase the mobility of professionals in Europe.

Alerts have been both issued and received by the Pharmaceutical Society NI from January to May 2016.

6. Fit for purpose education

Ensuring pharmacists who enter the Register are properly qualified and skilled and ensuring those on the Register retain high levels of proficiency and ethical standards are vital aspects of protecting the public and key parts of our regulatory work.

We focus on three key areas in this regard.

- Through a Memorandum of Understanding with the General Pharmaceutical Council (GPhC) we accredit University pharmacy degrees and post-graduate courses in Northern Ireland and Great Britain;
- Managing and quality assuring a pre-registration training year for graduates; and
- Managing and quality assuring the statutory requirement for pharmacists to complete annual CPD.

Accreditation

We ensure people who enter the Register are fit to practise by accrediting University Pharmacy Degrees. In 2016/17 we continued to work alongside our counterparts in the GPhC in reviewing and ensuring the standard of the Master of Pharmacy programmes delivered by Universities in Northern Ireland, as part of a rolling programme. Accreditation reports can be found on our website¹¹. Additionally we accredit courses leading to annotation on the register.

¹¹ <http://www.psni.org.uk/education-2/>

Undergraduate students

We deliver a bespoke lecture to undergraduate 4th year students at Queens University and the Ulster University to explain our role as a regulator, detail the pre-registration training programme and emphasise the importance of Professional Standards at all times in their careers. A similar lecture is also delivered at the Ulster Chemist Association road show for 3rd year Pharmacy students.

The pre-registration training year

To ensure public safety and public confidence in the pharmacy profession, we administer and oversee a pre-registration training year for pharmacy graduates. 195 new trainees completed the pre-registration programme for 2014/15. Pre-registration comprises of one full calendar year and provides trainees with the practical knowledge and skills that they need to cement their years of education and training in their MPharm degree.

The aim of pre-registration training is to ensure that when trainees join the Register they are fit to carry out all the duties of a practising pharmacist. The components of training include: in-practice assessment, completing an e-portfolio, attending compulsory training days, undertaking distance learning activities and sitting the Registration Examination.

We have a responsibility to quality assure pre-registration training in Northern Ireland. The quality assurance is multi-faceted and designed to gather information from multiple sources. Elements of the quality assurance include:

- Post course evaluation of all compulsory live trainee events
- Post course evaluation of Tutor Training Events
- An evaluation of tutor skills by means of a trainee questionnaire
- Review of all aspects of the pre-registration training programme, and in particular the processes associated with the Registration Examination, by an external examiner.

Results of our quality assurance work carried out for 2014/15 year indicate high levels of trainee satisfaction with all elements of the pre-registration training programme. In terms of the trainees' personal experiences of their training the results of the quality assurance work indicate that the pre-registration training supported trainees to become competent pharmacists, helped them identify strengths and weaknesses and enabled them to monitor their development and progress¹².

¹² <http://www.psni.org.uk/wp-content/uploads/2012/10/Trainee-Review-2014-2015.pdf>

Pre-registration tutors

Tutors are vital to the training and assessment of pre-registration trainees. In order to become a pre-registration tutor, a pharmacist must have worked for at least three years in the sector of pharmacy they wish to tutor, attended a tutor training course and passed an assessment set by the regulator for the purposes of accreditation.

In addition as part of our quality assurance work we carry-out a 360 degree appraisal scheme, which includes direct feedback from trainees, with tutors being sent an individualised appraisal report. This approach increases our ability to maintain standards amongst tutors and address any quality issues which may arise. In general feedback from trainees is extremely positive¹³.

Pre-registration training e-portfolio

The pre-registration portfolio is completed via an online recording system (e-portfolio).

The e-portfolio has been welcomed by users and feedback continues to be positive. The online training has been expanded over the last three years and now sees the performance standard assessment summary and quarterly appraisals carried out online.

The ability to be able to view any trainee's e-portfolio at any time has increased the quality assurance of the portfolio system and allows useful discussion between us and trainee/tutors as both parties can securely access the e-portfolio to view its contents and discuss any issues before they become significant.

Work is currently underway to further improve the e-portfolio online platform. It is anticipated that the new developments will make the system easier to navigate and more intuitive to use for trainees and tutors alike.

Continuing Professional Development

CPD is a continuous learning process that helps to maintain and further develop competence and performance. CPD enables pharmacists to maintain and improve across all areas of their practice.

The Code (2016) requires pharmacists to '*keep your knowledge and skills up to date, evidence-based and relevant to your scope of practice*' (principle 5, standard 5.1.3), and, accordingly, will help to keep patients safe.

In summer 2015, 96.6% of registrants submitted compliant CPD portfolios online and 1.48% on paper. 10% of the Register was selected for audit and had their CPD portfolios formally assessed. Of this number, 88% met the standard after

¹³ <http://www.psni.org.uk/wp-content/uploads/2012/10/Tutor-performance-2014-15-Quality-Assurance.pdf>

Assessment 1 and the remaining 12% achieved success after completing our remediation processes of Reassessment 1 and where necessary Reassessment 2. This gave an overall success rate of 100% for audited portfolios.

By 31 May 2015, 107 pharmacists submitted applications for voluntary 'withdrawal by request' from the Register. Pharmacists who did not provide a compliant CPD portfolio at the time of making their application, before 31 May, were informed that they would be required to do so should they wish to be returned to the Register at a future time; relevant to the CPD year in which they 'withdrew' from the Register. Of note, once a statutory 'Notice of Intention to Remove' has been served, registrants cannot withdraw from the Register unless a CPD portfolio has been first submitted.

A total of 26 registrants were removed in August 2015 for non-compliance with the statutory CPD process.

Figure 5 – CPD Statistics

CPD Statistics		2013/14	2014/15
CPD numbers	Records requested	2156	2236
	Records submitted	2073	2145
Submission issues			
Extenuating Circumstances applications	Applications submitted	97	116
	Applications granted	91	114
Non-compliance actions			
Reminders	Investigation letter	83	91
	Notice of Intention to Remove	29	41
	Notice of Removal	10	31
Removals	Removals	10	26
Remedial measures	No. in remedial measures	22	27
	No. compliant	22	27
Compliance			
	Overall compliance with CPD process	99.54%	98.84%

7. Robust, timely, transparent and fair Fitness to Practise

What is Fitness to Practise?

A person's FtP is a measurement of whether they are suitable to be on the Register in order to practise pharmacy in Northern Ireland, The main purpose of our FtP

processes is to help protect the public and maintain public trust in the pharmacy profession.

The main means by which a pharmacist's FtP could be impaired include:

- Failure to maintain required standards of professional proficiency;
- Adverse physical or mental health, which impairs an individual's ability to practise safely;
- In receipt of Cautions, convictions or entry on barring lists; and
- misconduct

For a full list of how an individual's practise may be impaired please see the Pharmacy (1976 Order) (Amendment) Order (Northern Ireland) 2012¹⁴.

The Code, Professional standards of conduct, ethics and performance for pharmacists in Northern Ireland, and related Standards and Guidance documents give direction in meeting the minimum standards required in the profession

We work in investigation to test if there is likely current impairment of the pharmacist and evaluate the case with regard to the civil standard of proof, i.e. on the balance of probabilities.

A Robust Fitness to Practise process

Complaints arise out of multiple sources including, amongst others, referral from the public, employers, inspections or the police. All are investigated through the offices of the Registrar. The online portal for complaints and concerns is hosted on our website¹⁵. The consideration of impairment of pharmacists is addressed at three stages of investigation:

1. Investigations by the Registrar which are then closed or referred on;
2. Investigations which are more serious, that meet certain threshold criteria, must be advanced by the Registrar to a Scrutiny Committee for closure, with or without sanction or referral to Stage three;
3. Investigations by the Registrar that are advanced to a Statutory Committee (or referred from the Scrutiny Committee), which are closed by this Committee with or without sanction.

Scrutiny and Statutory Committee members are appointed through an independent process for a four year period. The current members' appointment period ends in October 2016. The Council of the Pharmaceutical Society NI has approved the appointments or extensions of appointment to become or remain members of the Statutory and Scrutiny Committees, taking effect from October 2016, names will be announced in September 2016.

¹⁴ <http://www.legislation.gov.uk/nisr/2012/308/contents/made>

¹⁵ <http://www.psni.org.uk/about/complaints-2/>

Figure 6 - Summary of possible outcomes

Investigation		Registrar	Scrutiny Committee	Statutory Committee	Public notification
Sanction	No action	yes	yes	yes	No
	Advice	yes	yes	yes	No
	Warning		yes	yes	Yes
	Undertaking		yes	yes	Yes
	Conditions			yes	Yes
	Suspension			yes	Yes
	Removal			yes	Yes

Transparent Fitness to Practise

The tables below illustrate the profile of the 22 cases considered in 2015/16.

Investigation numbers have decreased in comparison to previous years, with the number of cases investigated reducing from 31 to 22. It should be noted that 11 cases opened prior to the year 2015/16 and were all closed in 2015/16.

This year the majority of cases were referred to us from DoH or by self-declarations by registrants. FtP outcomes are posted on the website where a sanction has been made by an FtP committee¹⁶ and the outcome is a warning or higher sanction, for example conditions, suspension or removal.

Figure 7 – sources of complaints

Source	2013/14		2014/15		2015/16	
	No.	%	No.	%	No.	%
DoH	0	0%	1	3%	5	23%
Employer	3	11%	3	10%	4	18%
HSCB	6	21%	3	10%	1	4.5%
Pharmacy	1	4%	1	3%	1	4.5%
Other regulator	0	0%	1	3%	1	4.5%
Public	10	36%	15	48%	4	18%
Police Service	0	0%	0	0%	1	4.5%
Self-referral	8	29%	7	23%	5	23%
Total	28	100%	31	100%	22	100%

¹⁶ <http://www.psni.org.uk/about/fitness-to-practise/determinations-of-statutory-committee/>

Figure 8 – outcomes of FtP cases

	2013-14		2014-15		2015/16	
	No.	%	No.	%	No.	%
Closed Cases						
No Further Action	1	6%	4	18%	3	17%
Advice	15	82%	13	59%	6	33%
Warning	1	6%	3	14%	4	22%
Undertakings	0	0%	0	0%	0	0%
Conditions	0	0%	0	0%	0	0%
Suspension	0	0%	0	0%	0	0%
Voluntary removal	0	0	0	0	1	6%
Removal	1	6%	2	9%	4	22%
Total	18	100%	22	100%	18	100%

Figure 9- where each case was closed in 2015-16

Closed Cases	Registrar	Scrutiny Committee	Statutory Committee	Total
No Further Action	2	1	0	3
Advice	1	5	0	6
Warning		4	0	4
Undertakings		0	0	0
Conditions			0	0
Suspension			0	0
Removal¹⁷			5	5
Total				18

Interim Orders

A case will be referred directly to a Statutory Committee by the Registrar based on the evidence available where it is considered to be high risk to public safety if not considered urgently. The Statutory Committee meets in an *interim order* hearing to receive evidence and make decisions based on the *prima facie* case presented. The Statutory Committee can determine to take no action, place conditions or suspend a pharmacist. The Statutory Committee can suspend a pharmacist's registration and right to practise for up to 18 months, reviewing the decision every six months, after which an extension to this period can only be granted upon application to the High Court.

¹⁷ Includes voluntary removal

Figure 10 - outcomes of Interim Order hearings 2015-16

Interim Order hearings	No. hearings	Conditions Order made	Conditions order lifted	Suspension Orders made	Suspension orders lifted
Scrutiny Committee	5	2	0	1	1
High Court hearing	1	1	1	0	0
Total	6	3	1	1	1

Fair Fitness to Practise

Pharmacists involved in FtP cases closed by the Statutory Committee have the right to appeal against a decision to the High Court, if certain criteria are met. In 2015/16 no registrant appeals were lodged against Statutory Committee decisions.

The PSA has the power to refer Statutory Committee decisions to court if it considers they are inappropriate. In 2015/16 the PSA did not refer any decisions made by the Statutory Committee to the High Court¹⁸.

Timely Fitness to Practise (FtP)

Delivering timely FtP processes is in the interest of complainants, registrants and the public. We continue to balance the requirement for robust investigations and decisions with the need to process cases in a timely manner in order to protect the rights of complainants, maintain public confidence and be fair to registrants. To do this we have developed a number of KPIs.

In our FtP KPIs we monitor the times taken to acknowledge complaints, to progress to closure by the Registrar, the Scrutiny Committee and the Statutory Committee.

When a complaint is received we have a KPI to acknowledge that complaint within five working days. In 2015/16 the initial complaint concerning all 18 closed cases was acknowledged within the five working days target.

The KPI for a case to be closed by the Registrar is 26 to 43 weeks¹⁹. In 2015/16 three out of the four cases closed by the Registrar met this KPI. The remaining case did not meet the KPI due to an extensive investigation into health issues, including the commission of health reports, commissioned by the Registrar. The registrant was subject, during this period, to consecutive interim orders.

¹⁸ <http://www.professionalstandards.org.uk/docs/default-source/section-29/section-29-general/decisions-about-regulated-practitioners.pdf?sfvrsn=2>

¹⁹ 26 weeks is for cases examined exclusively by the regulator, 43 weeks is for cases which involved an investigation by an external body - excluding criminal or health related external bodies.

The KPI for a case to be closed by the Scrutiny Committee is 32 to 52 weeks²⁰. In 2015/16 eight out of the ten cases closed by the Scrutiny Committee successfully met this KPI. The remaining two cases did not meet the KPI, in one case due to extensive investigation into health and in the other case due to complex pharmaceutical analysis of medicinal products, investigated as part of the complaint.

The KPI for cases closed by the Statutory Committee is 43 to 60 weeks²¹. In 2015/16 no cases closed by the Statutory Committee met this KPI. This was because three cases were subject to extensive external investigations by, in one instance the police service, and in another a criminal prosecution by the DoH, involving a period of suspension. In such circumstances we are obliged to give primacy to the external investigation. The third case involved an unusually complex multi-agency investigation before presentation to the Committee. The final case was a legacy case which commenced prior to 2012 under the former, more limited legislative regime, involved a substantial period of voluntary non-practicing, and a period of formal suspension. Although the KPIs were not met, at all times voluntary or formal suspension was used to ensure public protection.

In 2015/16 the Council’s FtP Committee consistently monitored performance against our FtP KPIs

Figure 11 - Fitness to Practise Closure times 2015/16

Case closed by	mean (weeks)	Median (weeks)	KPI (weeks)
Registrar	26	14	26-43
Scrutiny Committee	39	28	32 -52
Statutory Committee	132	108	43-60

8. Regulatory leadership and responsiveness

Providing good regulation and protecting the public, does not occur in a vacuum. We have set ourselves the objective of being pro-active in the development of the organisation and ensuring that our regulatory approach is responsive to external events, new thinking and developing practices – both within the pharmacy profession and amongst other healthcare regulators.

²⁰ 32 weeks is for cases examined exclusively by the regulator, 52 weeks is for cases which involved an investigation by an external body - excluding criminal or health related external bodies.

²¹ 43 weeks is for investigations examined exclusively by the regulator, 60 weeks is for cases which involved an investigation by an external body - excluding criminal or health related external bodies.

Rebalancing Medicines Legislation and Pharmacy Regulation Programme Board

In 2015/16 we continued to demonstrate our leadership and responsiveness by sitting on and contributing to the Rebalancing Medicines Legislation and Pharmacy Regulation Programme Board, which reviews relevant pharmacy legislation and regulation to ensure it:

- provides safety for users of pharmacy services
- reduces any unnecessary legislation
- allows innovation and development of pharmacy practice

The Board advises Ministers on the development of policy. It will also oversee policy delivery to help ensure that the Rebalancing Medicines Legislation and Pharmacy Regulation Programme meets its objectives.

We hope to see progress on the dispensing errors Rebalancing Medicines Legislation and Pharmacy Regulation: draft Orders under Section 60 of the Health Act 1999, by the Department of Health London, as it is next in line for approval. Following on from dispensing errors in community pharmacy the next scheduled focus is around dispensing errors in hospitals and responsible and superintendent pharmacist standards.

Working with other regulators

In 2015-16 we demonstrated our leadership and responsiveness by being active members of numerous inter-regulatory groups including, but not exclusively, the following:

- **Chief Executives Steering Group** – a group consisting of nine CEOs which is attended by the PSA and the Department of Health London, which looks at developments in healthcare regulation, shares policy ideas and acts as a platform for sharing best practice.
- **Chief Executives Legislation Group** – following the publication of the Law Commission report into Regulation of Health and Social Care Professionals in 2014, the nine health and social care regulators have collaboratively worked with the Department of Health London and the devolved regions to develop the legislation required to enhance public safety through modern regulation. This group facilitates that work.
- **Directors of Fitness to Practice** – this is recently initiated network across the healthcare regulators to review common issues of Fitness to Practise, exploring such issues as operational issues in investigations, adjudication and external liaison with other bodies such as the police service.

- **Directors of Resources** – regulators leads of finance and Human Resources share best practice, creating a platform for joint working.
- **Alliance of UK Health Regulators on Europe** – this group consists of the nine health and social care regulators in the UK and examines policy developments within a European context and develops consistent responses to Directives and Regulations emanating from the EU which will have an impact on health and social care regulation in the UK.
- **Performance Management** - this group consists of the nine health and social care regulators in the UK and focuses on sharing best practise and innovation with regards to business performance amongst regulators.
- **Fitness to Practise facilities** – in 2015/16 we continued to work with the Nursing and Midwifery Council to deliver their FtP hearings in Northern Ireland, providing them with a secure and appropriate environment.
- **Inter-regulatory Continuing Fitness to Practise/ Revalidation Group** – this group consists of the nine regulatory leads for continuing fitness to practise across the healthcare regulators. The group considers developments and best practice in regulatory approaches to assuring the continuing to fitness to practise of healthcare registrants.
- **Inter-regulatory Standards Group** – this group consists of the nine regulatory leads for standards development across the healthcare regulators. This group looks at areas of common interest and explores opportunities for a more consistent and joined-up approach to setting standards for healthcare professions, emphasising the centrality of the patient.
- **Inter-regulatory Education Group** – this group consists of the nine regulatory leads for education across the healthcare regulators. This group focuses on matters regarding the education and training of healthcare professionals. Other stakeholders represented on the group are the Centre for Advancement of Inter-professional Education (CAIPE), the Quality Assurance Agency for Higher Education, the Care Quality Commission (CQC) and Skills for Health.
- **Inter-regulatory research group** – this group facilitates information sharing and Knowledge exchange amongst regulators on research being carried out by regulators and within broader remit of regulation.
- **Registration and qualification committee, Pharmaceutical Society of Ireland (PSI)** – the Registrar sits as an observer on this committee of the PSI.
- **Inter-regulator Forum on Equality and Diversity** – this group is a forum for sharing best practice on equality, diversity and human rights.

- **Inter-regulator Communications group** –this group is a forum for knowledge exchange in relation to forthcoming communications activity and best practice in relation to communications issues.
- **Inter-regulator patient public involvement group** – this group is a forum for sharing information on forthcoming projects which have patient and public engagement elements and to provide knowledge exchange opportunities on best practice.
- **Inter-regulator information governance group** – this group is a forum for sharing best practice in relation to information governance issues such as information security and incident reporting.
- **Inter-regulator governance group** – this group is a forum to share governance best practice across healthcare regulators.

9. Effective communications and relationships

Effective and timely communication with registrants and the public remained at the centre of our Communications Strategy for 2015/16. The key activities have been the outreach to key stakeholders through the Regulators’ Parliamentary event in June, the consultation of the fees structure for 2016/17 which ran from November 2015 - January 2016, and the launch of The Code in February 2016.

In each of these stakeholder engagement activities, promoting the organisation’s role in protecting the public through modern, effective and fair regulation was paramount.

Allied to these key engagements the organisation continued to meet the ongoing requirements of modern responsive regulation through regularly updating registrants of regulatory activities and news via email communications, the Newsletter, online publications and Facebook.

The Website

The website continues to be the main communication vehicle to registrants and the public. As in previous years the website saw increased traffic in 2015/16, with visits increasing by 7% compared to 2014/15.

Visits to website page for the Code saw the biggest increase in 2015/16, with a 40% increase of page visits compared to 2014/15. This increased activity was mainly driven in the first five months of 2016 and corresponds with the launch of The Code. Other pages that have seen significant increase in website traffic are:

- Search the register for pharmacists
- Fitness to practise committee outcomes
- Current vacancies.

Alongside the increase in the website traffic, the numbers following the Pharmaceutical Society NI on Facebook doubled in 2015/16. It is clear that this platform for engagement is increasingly being used by registrants, members of the public and particularly political representatives.

Consultations

In 2015/16 the only consultation carried out by the organisation was in relation to fees. The 12 week consultation ran from November 2015 until January 2016 and received 27 responses.

The outcome of the consultation was considered by the Council at its 9 February 2016 meeting and the proposed Regulations were laid with the Northern Ireland Assembly on 14 March 2016, coming into effect on 1 June 2016.

We were encouraged by the response rate to the consultation and engagement through the website and on Facebook.

During the period under consideration the Pharmaceutical Society NI has responded to eight consultations, the key ones being:

- DH (London) – Medicines Optimisation Quality Framework
- PSA –The review of the performance of the health and care regulators – A revised process for the performance review
- DH (London) - Amendments to the Human Medicines Regulations 2012: Hub and Spoke' dispensing, prices of medicines on dispensing prices of medicines on dispensing labels, labelling requirements and pharmacists exemption
- DoH (NI) – Review of Pharmacy Regulation in Northern Ireland

Newsletter

In 2015/16 we continued to keep registrants up to date with regulatory news by producing and circulating an online Newsletter. The format and frequency changed during the year, with newsletters being sent quarterly and we have made greater use of hyperlinks to stories and articles in notification emails.

Events

In June 2015, along with other health and social care regulators, we organised the annual Regulator's Assembly Reception. The key note speaker at this event was the then Health Minister Mr Simon Hamilton, MLA, with additional speeches being made by the President, Dr Jim Livingstone, patient representatives and the sponsoring MLA, Fearghal McKinney. Again this event was well supported by political representatives, NI Assembly research staff and patient representative groups.

In February 2016, the Council launched The Code, of professional standards of conduct, ethics and performance in Northern Ireland, replacing the Code of Ethics (2009). On this occasion the keynote speaker was the Chief Pharmaceutical Officer, Dr Mark Timoney. During this event the Registrar outlined the key changes to the Code, with the President underlining the Council's view that a modern effective Code was to the advantage of both the patient and registrants. This launch event was followed up with a Code outreach event in Cookstown, a meeting that saw the venue filled to capacity.

General Communications

In 2015/16 the organisation concentrated on two communication programmes with registrants, both of which were very successful. The programmes related to online retention and online CPD for the year commencing 1 June 2016.

At the time of writing this report 83% of all retention fees were paid online and 97% of all CPD submissions were made online during June 2016.

The move to online completion of tasks reduces the amount of manual processing required, reduces the possibility of transcription errors and makes an overall contribution to increased organisational efficiencies.

Going forward

Looking to the future, the organisation remains committed to engaging with all our stakeholders using a variety of methods. In 2016/17 consultations will again remain a key activity along with the publication of our Newsletter and other information notifications.

Planned Pharmaceutical Society NI Public Consultations 2016/17

1. Consultation on the proposed new language testing Regulations
2. Consultation on indicative sanctions guidance
3. Consultations on matters arising from the Rebalancing Medicines Legislation and Pharmacy Regulation Programme Board work, subject to their timetable

As in previous years the organisation will be reliant on the use of electronic communication and we would encourage all registrants to ensure that they are

regularly receiving our notification emails by keeping their contact details up to date. Likewise we would encourage registrants and other stakeholders to visit our website and sign up to our Facebook page.

10. Governance in the public interest

The Council is the governing body of the organisation and is responsible for ensuring its statutory duties are met; it subsequently sets strategic objectives for the organisation in line with its statutory purpose.

It also holds the Chief Executive to account, as well as making sure the financial affairs of the organisation are conducted properly.

Council members are appointed by the Minister for Health Northern Ireland, in accordance with the principles of the Public Appointments Process, based on the competence of the applicants.

The Council has 14 appointed members, with an equal number of lay and registrant members.

The Council has agreed a structure of remuneration and expenses based on attendance at meetings which is published by DoH in recruitment activity.

The Council met on six occasions in 2015/16.

The Council		
Members	Membership type	Committee Membership
Dr Jim Livingstone, President	LM	<ul style="list-style-type: none"> • N/A
Ms Sinead Burns, Vice President	LM	<ul style="list-style-type: none"> • Education, Standards and Registration Committee • Fitness to Practise Committee
Professor Martin Bradley, OBE	LM	<ul style="list-style-type: none"> • Education, Standards and Registration Committee • Fitness to Practise Committee (<i>Tenure ended October 2015</i>) • Corporate Communications Committee (Chair) (<i>APPT October 2015</i>)
Ms Sandra Cooke	RM	<ul style="list-style-type: none"> • Education, Standards and Registration Committee • Fitness to Practise Committee • Audit and Risk Committee (<i>APPT October 2015</i>)
Mr Ciaran Hunter	LM	<ul style="list-style-type: none"> • Resources Committee (Chair) • Corporate Communications Committee
Professor David Jones	RM	<ul style="list-style-type: none"> • N/A
Mr Gary Mckenna	LM	<ul style="list-style-type: none"> • Fitness to Practise Committee (Chair) • Resources Committee
Mr Mark Nelson	RM	<ul style="list-style-type: none"> • Education, Standards and Registration Committee (Chair) • Resources Committee
Mr Gareth Peeples	RM	<ul style="list-style-type: none"> • Education, Standards and Registration Committee • Corporate Communications Committee
Mr James Perry	LM	<ul style="list-style-type: none"> • Audit and Risk Committee (Chair)
Mrs Marie Smith	RM	<ul style="list-style-type: none"> • Fitness to Practise Committee • Audit and Risk Committee
Mrs Helena Buchanan (<i>Tenure ended October 2015</i>)	RM	<ul style="list-style-type: none"> • Corporate Communications Committee (Chair) (<i>Tenure ended October 2015</i>)
Dr Lisa Byers (<i>Tenure ended October 2015</i>)	RM	<ul style="list-style-type: none"> • Audit and Risk Committee (<i>Tenure ended October 2015</i>)
Mrs Brenda Maitland (<i>Tenure ended June 2015</i>)	RM	<ul style="list-style-type: none"> • N/A

Pharmaceutical Society NI Committees

The Pharmacy (1976 Order) (Amendment) Order (Northern Ireland) 2012 and the Council of the Pharmaceutical Society of Northern Ireland (Fitness to Practise and Disqualification) Regulations (Northern Ireland) 2012 provide for the establishment, in statute, of two fitness to practise committees; Scrutiny Committee and Statutory Committee.

Scrutiny Committee

The Scrutiny Committee considers concerns about a registrant's fitness to practise, it has the power to dismiss a case, give advice, issue warnings and agree undertakings if appropriate. It must refer more serious cases to the Statutory Committee.

Further information on the Scrutiny Committee and its membership can be found on our website²².

Statutory Committee

The Statutory Committee makes judgements on whether a registrant's fitness to practise is impaired for reasons concerning their conduct, professional performance or health. All meetings are held in public (except for health related and Interim Order cases). The Statutory Committee has the power to issue formal warnings, agree undertakings, place conditions on the practice of a pharmacist, impose suspension and remove registrants from the Register.

Further information on the Statutory Committee and its membership can be found on our website²³.

Non Statutory Committees

The Council has six non-statutory Committees which carry out different roles to help the organisation achieve its statutory and strategic objectives.

Education, Standards and Registration (ESR) Committee

The ESR Committee is responsible to Council for the oversight and delivery of the objectives related to pharmacy education including undergraduate, pre-registration and post registration education, including CPD.

ESR Committee also oversees the provision and development of regulatory standards. ESR Committee oversees the registration processes for current and new registrants and pharmacy premises in Northern Ireland.

²² <http://www.psni.org.uk/about/fitness-to-practise/fitness-practise-committees/>

²³ <http://www.psni.org.uk/about/fitness-to-practise/fitness-practise-committees/>

The ESR Committee met six times in 2015/16. This year the Committee provided oversight of the final development and publication of The Code for professional standards, conduct and ethics and an initial review of supporting Standards, it continued oversight on the development of a model of Continuing Fitness to Practise and the initial development of Premises Standards. The Committee also had input into IT reviews for the CPD porthole and pre-registration e-portfolio.

Fitness to Practise Committee

The FtP Committee is responsible to Council for the oversight of the Fitness to Practise process including; setting, monitoring and reviewing KPIs, keeping the Council informed of the caseload and assessing risk.

The FtP Committee met six times in 2015/16. This year the FtP Committee's work primarily focused on a review of KPIs for the progression of FtP cases, and a review of thresholds for progressing FtP cases.

The Audit and Risk (A&R) Committee

The A&R Committee is responsible to Council for the oversight of internal and external audits to confirm to Council that adequate strategies are in place for the identification and management of risk.

The A&R Committee met on three occasions in 2015/16. This year the A&R Committee maintained its oversight of the Internal Audit Strategy and recommended a one year extension to the internal auditor's contract, which will be tendered next year. The Committee started the process of developing new strategic KPIs, which will be completed in early 2016/17.

Resources Committee

The Resources Committee is responsible for oversight of the effective deployment of resources, in pursuit of statutory obligations and Corporate/Business plans.

The Resources Committee met on seven occasions in 2015/16.

Corporate Communications Committee

The Corporate Communications Committee is responsible to Council for the oversight of the management and delivery of all internal and external relations.

The Corporate Communications Committee met on four occasions in 2015/16. The Corporate Communications Committee provided oversight to the publication, launch and dissemination of The Code for professional standards, conduct and ethics. The Committee also provided oversight to the Consultation on fees and subsequent

report and introduced a new process for logging and processing consultation responses.

Chairs Committee

The Chairs Committee acts as a dashboard checkpoint for Strategy Monitoring and new project development. Its membership is made up of the Chairs of the non-statutory committees and is chaired by the President.

Chairs Committee met on three occasions in 2015/16.

11. Internal Control Report

The Council is responsible for ensuring that the organisation operates an appropriate system of risk management. The Audit and Risk Committee is responsible to Council for oversight of internal and external audits and to confirm that adequate strategies are in place for the identification and management of risk.

The Audit and Risk Committee is responsible for:

- Reviewing compliance with statutory instruments and appropriate financial management systems.
- Engaging an external supplier to provide an appropriate internal audit service and to oversee their work for the organisation.
- Oversight of the corporate governance requirements including committees of Council, the Executive and Statutory Committees.
- Reviewing the Risk Register and evaluating and endorsing effective systems for assessing and managing risk, including information risk.
- Ensuring that any recommendations made by the internal and external auditors are properly considered by officials and appropriate actions is taken in good time.
- Receipt of annual accounts and annual reports from Resources committee, consider external and internal audits and agree recommendations for approval to full Council.

In order to embed risk management at all levels of the organisation the Council has developed a Strategic Risk Register which is based on five key risks which reflect the aims of our corporate strategy '*A New Era*' 2013-16. The Strategic Risk Register informs the Internal Audit Strategy and the Three Year Audit Plan (2013- 2016). The Audit and Risk Committee has reviewed and endorsed the Strategic Risk Register and has been assured by the internal auditors that the arrangements in place are sufficient to ensure that risks are identified, mitigated and monitored.

In September 2014, the Audit and Risk Committee formally confirmed year three of the three year Internal Audit Plan, for 2015/16. Internal audits were carried out during 2015/16 in the following areas:

- Key Performance Indicators (KPIs)
- Review of the Continuing Professional Development Framework
- Review of the consultation process (inbound and outbound)
- Fitness to Practice

The internal auditors have provided an overall “satisfactory” level of control whilst identifying areas for improvement in each category

Council currently receives performance information in a number of ways – regular reports against a detailed balanced scorecard and information on a number of performance measures labelled as KPIs.

The internal auditors have recommended that strategic level KPIs are developed for Council use, linked to the strategic objectives, as many of the current operational measures provide limited value and arguably require disproportionate effort to collect.

The Audit and Risk Committee oversees the implementation of actions arising from each audit – receiving reports at every meeting and agreeing timetables for any future work. The Committee met three times in 2015/16, at their most recent meeting they agreed the programme for internal audit for 2016/2017 as follows:

- regulatory and legislative compliance;
- registration performance;
- segregation of duties – payroll, payments and expenses; and
- business continuity

12. Pharmacy Forum NI

About Us

The Pharmacy Forum NI is the professional leadership body for pharmacists in Northern Ireland. The Forum leads and supports the development of the profession, promotes best practice among pharmacists and represents all sections of pharmacy practice. This report has been prepared by the Pharmacy Forum Board.

The Pharmacy Forum NI Board consists of elected members, representatives from other pharmacy organisations and those co-opted for skills and expertise. The Board met 6 times this year.

Figure 1 – Pharmacy Forum Board

Elected Members		
Roberta Tasker, Chair	Frances Ann Archibald, Deputy Chair (Maternity Leave)	Sheelin McKeagney, Acting Deputy Chair
Raymond Anderson	Victoria Knowles	Anne McAlister
Dr Kate McClelland	Niamh McGarry	
Representative Members		
Catherine Devlin - Guild of Healthcare Pharmacists	David McCrea - Community Pharmacy NI	Peter Wright - Ulster Chemists Association
Dr Kathy Burnett Co-opted Member	Thomas Hughes – Newly Qualified	Harry Harron - Advisor (Non-voting)

Pharmacy Forum Committees

Figure 2 - Education and Training Committee

Dr Kathy Burnett (Chair)	Raymond Anderson	Dr Glenda Fleming
Dr Lezley-Anne Hanna	Roberta Tasker	Niamh McGarry
Lesley Edgar		

Figure 3 - Policy and Practice Committee

Sheelin McKeagney (Chair)	Ciaran Byrne	Catherine Devlin
Anne McAlister	Sharon McEvoy	Shauna O'Brien
Leon O'Hagan	Peter Wright	Victoria Knowles

Introduction from Roberta Tasker – Chair of the Pharmacy Forum NI

As Chair of the Pharmacy Forum NI, I am proud to present the Annual Report of Pharmacy Forum NI (the Forum).

This Annual Report highlights the exceptional work the Forum has been involved in. 2015/16 has been a very busy period for us as we have reviewed not only our role but also the role of professional leadership in Northern Ireland. It has been recognised by others, including Government and health experts that pharmacy in Northern Ireland continues to be an underappreciated profession. Statistics show that pharmacy in all settings has some of the highest levels of patient satisfaction and that Pharmacists frequently lead on many aspects of illness prevention. Although there are frustrations within the profession at the lack of pace of change, we are heartened to see new models of practice emerging and more investment in pharmacist led services including pharmacists in GP practices and medicines optimisation. We urge the Minister for Health to continue to integrate pharmacists into the Health and Social Care network and recognise the important role we play as the medicines expert.

The role of the pharmacist no longer fits with the traditional stereotype of the diligent and efficient dispenser; we as a profession are advancing our practice by reviewing the role of the whole pharmacy team, embracing new technologies including robotic dispensing, and working to enhance quality systems. These advancements are helping us as a profession to deliver better patient care and more efficient use of healthcare resources. To ensure we can achieve the Minister for Health's vision for the long term future of health and social care, underpinned by Professor Bengoa's report and its precursor the Donaldson Report, we need meaningful and robust dialogue with all healthcare stakeholders.

In light of the current review from the Department of Health on the 'Future of Pharmacy Regulation' with the aim of examining viable options to deliver strengthened and modernised regulation of the pharmacy profession we have launched our 'Exploring Effective Professional Leadership in Northern Ireland' discussion document. The document has helped us as an organisation to look at where we are now and focus on what we need to do in the future to enable pharmacists to deliver better patient care and acknowledges some of the challenges ahead. We believe that pharmacy leadership needs a strong local presence to work with key stakeholders in healthcare and other sectors promoting the role of pharmacy, and outlining how our members need to be supported in their roles going forward.

We have also examined the essential elements of a sustainable professional leadership body and identified five key themes:

Leadership, Support, Development, Technology and Excellence

Each theme leads on to a number of key objectives that will drive the profession forward. Whilst 'Exploring Effective Professional Leadership in Northern Ireland' has been a major focus for us, we continue to deliver on our priorities around the Forum's key work streams.

Pharmacy Forum NI is chairing a working group of Pharmacy Professional Representative Bodies (PPRB), which is a collaboration of Pharmacy Forum NI with CPNI, NPA, PDA and UCA working to deliver on a number of the key actions in the 'Making it Better through Pharmacy in the Community Implementation Plan'. We continue to be a key stakeholder on the 'Rebalancing Pharmacy Legislation Programme Board' and more recently on the Department of Health (England) and MHRA's Implementation Advisory Board for Falsified Medicines Directive. Both of these projects have the potential to significantly impact on our profession and others.

I am delighted that the Forum has overseen the production of two key pieces of guidance aimed at supporting pharmacists to excel in their practice, the 'Clinical Check Guidance' and the 'Medication Review in Older People', both of which are available to download from the Forum website. These have been produced through a working group and a special interest group of the Forum respectively. I am encouraged to see our members leading on and getting involved in developing best practice.

As we look forward to 2016/17, I am confident that, together with our members and key partners, we will continue to deliver practical and accessible support that enables pharmacists to meet the big challenges ahead.

As I finish my time as Chair of the Pharmacy Forum NI I would like to thank the Board members, the committees, special interest and working groups and the staff for their support and I would like to wish Sheelin McKeagney every success as he takes over as Chair. My time has been rewarding and enjoyable, I have been privileged to work with our members and support their passion in our profession. I remain hopeful for our future and confident that Pharmacy in Northern Ireland will rise to meet the challenges ahead.



Roberta Tasker, Chair of the Pharmacy Forum NI

Pharmacy Forum Activity report

As the Forum approaches its fifth year as the professional leadership body for all pharmacists registered in Northern Ireland, there is much to celebrate about its achievements during 2015/16.

In 2015/16 the Pharmacy Forum NI has continued to deliver high quality outcomes for our members. Its priority has been the promotion of the pharmacy profession and representing the views of members to the Regulatory Council of the Pharmaceutical Society NI and key stakeholders.

Leading the profession

Exploring Effective Leadership in Northern Ireland

The Pharmacy Forum NI has been examining professional leadership for the pharmacy profession in Northern Ireland and has published its paper 'Exploring Effective Professional Leadership in Northern Ireland'.

The paper has been well received by its members as well as key stakeholders and outlines the Forum's vision for the future of professional leadership for pharmacists in Northern Ireland. The paper examines the current situation regarding Regulation and Professional Leadership in Northern Ireland and looks at the context in which pharmacy operates. The paper outlines the essential elements of a pharmacy leadership body and also what resources a local leadership body should have for an effective sustainable organisation.

The paper outlines the Forum's contribution to the conversation regarding the Department of Health's work on 'Regulation of Pharmacy Profession in Northern Ireland' which includes the possibility of splitting the regulatory and professional leadership functions. The paper is the first step in this process to examine how professional leadership in Northern Ireland can best meet the needs of the profession.

Working with our Key Stakeholders

Rebalancing Medicines Legislation and Pharmacy Regulation Programme Board

Pharmacy Forum NI continues to be actively involved on the Rebalancing Medicines Legislation and Pharmacy Regulation Programme Board. The Programme Board is waiting for the introduction of legislation to Parliament on Premises Standards and dispensing error proposals for pharmacy professionals working in the community sector. They are currently addressing a formal consultation on dispensing errors in hospitals and other specified pharmacy services and proposals concerning the superintendent pharmacists and responsible pharmacist. The Programme Board is also taking forward work on pharmacy supervision.

Strategic Leadership Group

This year the Forum has joined with other senior leaders of the pharmacy profession on the Chief Pharmaceutical Officer's strategic leadership group for pharmacy. The Group will work to provide strategic oversight of the implementation of DoH policy and will provide high level governance, leadership and direction in the areas of medicines optimisation, medicines regulation and deployment of the pharmacy workforce.

Making it Better through Pharmacy in the Community Strategy

A working group of Pharmacy Professional and Representative Bodies (PPRB) chaired by Pharmacy Forum NI with CPNI, NPA, PDA and UCA has been set up to work collaboratively to deliver a number of key actions in the DoH Making it Better through Pharmacy in the Community Strategy Implementation Plan. The Forum hosted a leadership event to assist the work of the PPRB and test the assumptions in their plan to support change in working practices. PPRB will deliver on this plan in the year ahead.

Falsified Medicines Directive

The Falsified Medicines Directive was adopted by the European Commission adopted on 9 February 2016. This means that Member States have three years to complete the implementation of the Regulation. The Forum sit on the Implementation Board for the Falsified Medicines Directive chaired by the Department of Health (England) and MHRA, this implementation board is tasked with examining the flexibilities within the Delegated Act and the key challenges facing the supply chain, public bodies, NHS and others as we seek to fully implement the requirements of the delegated Act.

Supporting the Profession

Continuing Professional Development

The Pharmacy Forum NI has continued to support the profession to meet its regulatory obligations to submit a CPD portfolio. The team of peer led facilitators has delivered a number of workshops throughout Northern Ireland.

Pharmacy Forum NI has designed a range of different CPD facilitation training events and support services including:

- Facilitation training events;
- 'One to One' facilitation sessions;
- Individual facilitation support; and
- Online resources including an updated video presentation.

Newly Qualified Pharmacist Opportunities

The Forum created an opening for newly qualified pharmacists to join its Board and committees, this new project aims to help them develop skills such as communication, negotiation, strategic planning and policy making. It has enabled three newly qualified pharmacists to take up positions on the Board, Education and Research Committee and Policy and Practice Committee. The positions will be rotated on a yearly basis to allow as many people as possible to avail of the opportunity to contribute to the Forum's work and be developed as a future leader of the profession.

Professional Guidance

The Forum has published two important sets of guidance this year, 'Clinical Check Guidance', this guidance is for all pharmacists who undertake clinical checks as part of their pharmacy practice and 'A Guide to Support Medicines Review for Older People', which has been developed by the Forum's Network of Pharmacists with a Special Interest in Older People.

Work is nearing completion with other professional leadership bodies in GB, The Royal Pharmaceutical Society and the Association of Pharmacy Technicians UK, to produce joint professional standards for reporting, learning, sharing, taking action and review of incidents. These new standards will be published in autumn 2016.

Newsletter

The Forum has updated its newsletter to make it mobile phone friendly and will continue to provide regular updates from the Forum and wider pharmacy profession. The newsletter is sent bi-monthly to all registered pharmacists and Pre-registration pharmacists.

Consultations

The Forum has responded to a number of consultations from major stakeholders, reflecting the views of the pharmacy profession as well as responding to consultations from the Regulator, including the consultation on fees and the Code of professional standards of conduct, ethics and performance for pharmacists in Northern Ireland as well as the Department of Health's consultation on the Future of Pharmacy Regulation.

All the consultation responses are available on the website <http://forum.psni.org.uk/whats happening/consultations/>

Awards and Bursaries

The Forum would like congratulate Danielle Allen, Queens University Belfast, and Oisín Kavanagh, Ulster University Coleraine, who received Gold Medals for overall top students in pharmacy.

The Forum would also like to congratulate Sophie May Gilmore (2015) and Christopher Spence (2016) who were awarded the Ronnie McMullen prize for the top result in the Pre-Registration examination.

Promotion has continued of the Ronnie McMullan Fund and the CW Young Fund, awarding them appropriately to help pharmacists further their professional development. The CW Young Fund (available for the advancement and encouragement of pharmaceutical education for the public benefit) had successful applications from three pharmacists to support two pieces of research. Full criteria and how to apply for the award is available on the Forum website.

International

The Forum continues to play an active role in the Pharmaceutical Group of the European Union (PGEU) and the Commonwealth Pharmaceutical Association of which Pharmacy Forum Board member Raymond Anderson is President.

Events

Pre- Registration Calculations Training

Over 90 pre-registration students were supported with calculations training to prepare for their final registration exams. Three two-session courses were delivered during 2015/2016.

Dementia Awareness Week

The Forum held an event examining Dementia. Over 40 pharmacists attended and heard from world renowned expert Professor Peter Passmore who discussed the issue of Dementia and its background including clinical features, associated behaviours, treatment, management and future outlook.

Pharmacist Advice and Support Service

The Pharmacists' Advice and Support Service (PASS) is a registered charity, which in accordance with the Pharmacy Order 1976 (NI), provides a service which supports pharmacists and pre-registration trainees of the Pharmaceutical Society of Northern Ireland, as well as former pharmacists, surviving spouses/civil partners and their dependants, in times of need.

All pharmacists understand the unique pressures of the job. Whether focused on research and development, education or providing face to face support and advice, the common factor across all areas of the profession is care. This is often a key driver in wanting to help colleagues who have fallen on difficult times, or who themselves have struggled to overcome difficult circumstances. This is only possible through the through the generosity of pharmacists.

PASS is a free and confidential service which ensures that those in need – be they pre-registration students, working pharmacists or retirees – know where to go for guidance, advice, a listening ear or financial assistance.

The past year has seen a significant increase in those availing of counselling services, which are currently provided through Carecall. Grants have also been provided to individuals in financial distress including funding for specialist equipment for beneficiaries with severe health problems.

In the coming year PASS will launch its mentor programme, the aim of which is to facilitate a personal and professional developmental relationship between a more experienced or knowledgeable pharmacist (mentor) and a fellow pharmacist who is less experienced (mentee). Both mentor and mentee are paired according to professional area, skills, need and other criteria.

Whilst the PASS mentor programme will be available to all registered pharmacists, we will seek to tailor promotion of the program to those who are newly qualified or returning to practice.

It is our primary objective to listen to the needs within the profession and respond to them as best we can within the legislative limits of the fund. If you have any comments or suggestions about the future development of PASS, or if you feel that you or your family wish to avail of any of the services offered, please contact Chrisanne English during business hours by telephone: (028)90329553, or by email: chrisanne.english@psni.org.uk

13. Financial Statements

for the year ended 31 May 2016

1. Financial Statement for the year ended 31 May 2016

Contents Summary	Pages
Chair of Resources foreword	48
Council, Executive and Professional Advisors	51
Statement of responsibilities of the Council	52
Independent Auditor's Report to the Council of the Pharmaceutical Society of Northern Ireland	53
Statement of Comprehensive Income	55
Balance Sheet	56
Cash Flow Statement	57
Statement of Changes in Equity	58
Notes to the financial statements	59
C.W.Young Scholarship Fund	Appendix 1
The Ronnie McMullan Trust Fund	Appendix 2
Pharmacist Advice and Support Services	Appendix 3

Foreword to the Annual Accounts

By Ciaran Hunter, Chair of Resources

The Council of the Pharmaceutical Society of Northern Ireland presents its annual audited statements for the year ended 31 May 2016.

Financial Performance - Overview

The Pharmaceutical Society NI recorded a deficit for the year of £32k compared to a small surplus in the prior year. However, the Society also had an operational surplus (before taking account of the fall in the value of certain investments) of £24k compared to an operational deficit in the prior year of £11k. The main cause of the difference between the operational surplus and overall financial deficit was due to the revaluation of investments in line with revised accounting standards. The Pharmaceutical Society NI anticipates it will be faced with increasing operational and net deficits over the coming years due to the largely fixed income base and the increasing costs of fulfilling the regulatory requirements.

While recognising that the Pharmaceutical Society NI has a strong balance sheet, which is capable of supporting the current expected net operational deficits in the short term, the Pharmaceutical Society NI must continue to explore all opportunities to expand the income base to support the required level of regulatory expenditure going forward, while also maintaining sufficient reserves for contingencies.

The details of significant items of income and expenditure are set out below

Income- Financial Highlights

During the year overall income rose to £1.15m in 2016 from £1.08m in 2015. The income of the Pharmaceutical Society NI is mainly based upon 3 key sources, being the Retention Fees paid by Registrants, Premises Licence Fees and the Registration Fees. Together these 3 income elements represent 87% of total Pharmaceutical Society NI income. These income elements have been based upon fees/charges that have not changed, in the case of Registrant Fees for seven years.

The Retention Fees of £771k were up from £759k in 2015 an increase of 1.7%. The increase in this income heading was solely due to an increase in membership as the underlying fee remained at £372. Premises licence fees income has remained constant at £87k. The income from premises licences is likely to remain broadly at this level unless the premises charges are changed. Registration fee income rose from £120k to £135k.

Income obtained from interest has continued to decline and fell from £3.7k to £3.5k due to continuing low interest rates and also by the movement of available funds to the investment fund. This increased level of investment in shares helped increase

Foreword to the Annual Accounts continued

By Ciaran Hunter, Chair of Resources

dividend income in the last two years to £25k, compared to £16k received during 2014.

Expenditure- Financial Highlights

The overall operational expenditure in 2016 was £1.12m compared to £1.09m in 2015. Historically the largest expenditure elements are staff costs (including pensions), Statutory Committee Expenditure, House Expenses and Governance costs. Together these items represent 76% of total operational expenditure in 2015 however this year they represent 70% mainly due to the fall in the costs associated with the Statutory Committee which are detailed below.

Staff costs including pensions rose from £602k to £632k, up £30k on the prior year. This rise was mainly caused by additional temporary staff to cover maternity leave and the additional recruitment 1 part-time employee.

Travel and Subsistence, office expenses and recruitment costs rose from £33k to £37k, £45k to £51k, £7.5k to £9k respectively; these increases are in spite of continued efforts to reduce operational costs of maintaining and operating the Pharmaceutical Society NI.

However, expenditure on Statutory Committees fell significantly from £127k in 2015 to £64k in 2016. While this substantial fall in expenditure on Statutory Committees is very welcome it is still important to note that prior to introduction of the current regulatory framework the Pharmaceutical Society NI spent £39k on Statutory Committees in 2011. Unfortunately this area of expenditure may increase in the coming year and while the Pharmaceutical Society NI continues to focus on reducing the costs associated with each case, the Society has no direct control on the caseload.

Governance costs were further reduced in 2016 to £41k from £45k in 2015 (2014:£58k) due to a reduced number of meetings to support the ongoing regulatory developments and increased governance requirements and a smaller number of Council Members.

Balance Sheet Financial Overview

The Pharmaceutical Society NI reported reserves in the 2015 Financial Statements was £953k due to the overall deficit the reserves have fallen by £33k to £920k at the current year end. Over the last 2 years a number of revisions to accounting and reporting requirements have led to significant additional provisions including for prior employee pensions and revaluations of investments.

Foreword to the Annual Accounts continued

By Ciaran Hunter, Chair of Resources

Expenditure- Financial Highlights continued

While the Pharmaceutical Society NI remains on a solid financial footing at the year-end it is important to note that the organisation needs to maintain significant reserves to fund contingencies such as significant legal challenges and deal with any unexpected disruption to income. The Pharmaceutical Society NI while continuing to minimise costs will also need to consider how to increase income to ensure adequate reserves are available to the Pharmaceutical Society NI to enable it discharge it's duties as required.



Ciaran Hunter, Chair of Resources

Council, Executive and Professional Advisors

President

Dr. Jim Livingstone

Council

Full list of Council members referenced on page 30

Chair of Resource

Ciaran Hunter

Chief Executive

Trevor Patterson

Auditors

KPMG

Stokes House

College Square East

Belfast

BT1 6DH

Principle Bankers

Bank of Ireland

University Road

Belfast

BT7 1ND

Legal Advisors

Clever Fulton Rankin

50 Bedford Street

Belfast

BT2 7FW

Statement of responsibility of the Council

The Council is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Regulation 4C of the Pharmacy (Northern Ireland) Order 1976 requires the Council to prepare financial statements for each financial year in such form as the Department of Health, Social Services and Public Safety may determine. To date, no determination has been issued by the Department: the Council has elected to prepare the financial statements in accordance with the basis of preparation and accounting policies set out in note 1, which it has determined are appropriate to the Society's circumstances having regard to current requirements of accounting standards issued by the UK Financial Reporting Council (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standards Applicable in the UK and Ireland*.

In preparing these financial statements, the Council has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Council is responsible for keeping proper accounting records that are sufficient to show and explain the Society's transactions.

The Council is also responsible for preparing the Annual Report in accordance with Regulation 4D of the Pharmacy (Northern Ireland) Order 1976 and the regulations made under it.

The Council have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Society and to prevent and detect fraud and other irregularities.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Council



JIM LIVINGSTONE
PRESIDENT



TREVOR PATTERSON
CHIEF EXECUTIVE

7 September 2016

Independent Auditor's Report to the Council of the Pharmaceutical Society of Northern Ireland

We have audited the financial statements of the Pharmaceutical Society of Northern Ireland for the year ended 31 May 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the accounting policies set out in note 1 of the financial statements. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- have been properly prepared, in all material aspects in accordance with the basis of preparation and accounting policies set out in note 1 of the financial statements; and
- have been properly prepared in accordance with the Pharmacy (Northern Ireland) Order 1976 and the regulations made under it.

2 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Responsibilities of the Council set out on page 52, the Council is responsible for the preparation of the financial statements in accordance with the basis of preparation as set out in note 1 to the financial statements; and otherwise comply with The Pharmacy (Northern Ireland) Order 1976. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Pharmaceutical Society's circumstances and have been consistently applied and adequately disclosed; the

Independent Auditor's Report to the Council of the Pharmaceutical Society of Northern Ireland, continued.

reasonableness of significant accounting estimates made by the Council; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

This report is made solely to the Pharmaceutical Society NI members, as a body, in accordance with Section 4(C) of The Pharmacy (Northern Ireland) Order 1976. Our audit work has been undertaken so that we might state to the Pharmaceutical Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Pharmaceutical Society and the Pharmaceutical Society's members, as a body, for our audit work, for this report, or for the opinions we have formed.



John Poole (Senior Statutory Auditor)
for and on behalf of KPMG, Statutory Auditor

Chartered Accountants

Stokes House

17/25 College Square East

Belfast

BT1 6DH

7 September 2016

The Pharmaceutical Society of Northern Ireland

Statement of Comprehensive Income for the year ended 31 May 2016

	Notes	2016 £	2015 £ Restated
INCOME			
Retention Fees		771,502	758,508
Licenses		86,790	87,777
Registration Fees		134,758	120,224
Tutors Course & Calculations Fees		17,283	18,828
Interest		3,486	3,732
Miscellaneous		76,542	42,329
Examinations		32,709	18,446
Dividends		24,842	27,497
		<u>1,147,912</u>	<u>1,077,341</u>
EXPENDITURE			
Computer & Photocopier Expenses		55,927	47,681
Salaries and National Insurance		598,828	581,128
Committee Attendance Fees		(300)	75
Pension Costs		33,257	21,040
Office Expenses		50,595	44,764
Events, Travel & Subsistence		37,085	32,786
Legal, Professional & Other Consultancy costs		75,886	60,871
Statutory Committee Expenses		64,048	126,638
Prize night, Certificates etc		242	225
Subscriptions		12,152	4,055
Pharmacy Forum Events		853	3,821
House Expenses		57,267	57,328
Depreciation less Grant Release		44,739	11,697
Recruitment Costs		9,425	7,576
Communications		3,185	2,796
CPD Process		16,479	17,478
Pre-registration Administration		6,356	7,179
Governance Costs		40,542	45,373
Project Expenses		17,701	16,123
		<u>1,124,267</u>	<u>1,088,634</u>
OPERATING SURPLUS/(DEFICIT)		23,645	(11,293)
(Loss)/gain on revaluation of investments	5	(71,311)	16,628
(DEFICIT)/GAIN BEFORE TAX	2	(47,666)	5,335
Taxation	3	14,594	(6,105)
DEFICIT FOR THE YEAR		(33,072)	(770)
OTHER COMPREHENSIVE INCOME		1,030	1,030
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(32,042)</u>	<u>260</u>

All results of the Pharmaceutical Society of Northern Ireland derive from continuing operations.

The notes on pages 59 to 71 form part of these financial statements.

The Pharmaceutical Society of Northern Ireland

Balance Sheet for year ended 31 May 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible Assets	4	54,925	90,761
Investments	5	721,194	775,907
		<u>776,119</u>	<u>866,668</u>
CURRENT ASSETS			
Debtors	6	733,016	666,633
Bank deposits		205,739	203,622
Cash in bank and on hand		576,179	451,362
		<u>1,514,934</u>	<u>1,321,617</u>
CURRENT LIABILITIES			
Creditors and accrued expenses	7	(1,201,575)	(1,044,818)
		<u>313,359</u>	<u>276,799</u>
NET CURRENT ASSETS			
		<u>1,089,478</u>	<u>1,143,467</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
PROVISIONS			
Deferred tax liability	8	(11,888)	(29,242)
Pension obligations	9	(157,560)	(161,123)
		<u>920,030</u>	<u>953,102</u>
NET ASSETS			
SOURCE OF FUNDS			
Income and expenditure account		910,715	942,757
Premises renovation grant		9,315	10,345
		<u>920,030</u>	<u>953,102</u>

The financial statements were authorised for issue on 7 September 2016 and signed on behalf of the Council by:

JIM LIVINGSTONE (PRESIDENT)



TREVOR PATTERSON (CHIEF EXECUTIVE)



The notes on pages 59 to 71 form part of these financial statements

The Pharmaceutical Society of Northern Ireland

Cash Flow Statement for year ended 31 May 2016

	<i>Note</i>	2016 £	2015 £
Cash flows from operating activities			
Deficit for the year		(33,072)	(770)
<i>Adjustments for:</i>			
Depreciation		44,739	11,697
Interest receivable		(3,486)	(3,732)
Dividends received		(24,842)	(27,497)
Loss/(gain) on revaluation of investments		71,311	(16,628)
Taxation		(14,594)	6,105
		<hr/>	<hr/>
		40,056	(30,825)
Increase in trade and other debtors		(66,383)	(86,995)
Increase in trade and other creditors		156,757	51,102
Decrease in provisions		(3,563)	(6,157)
		<hr/>	<hr/>
		126,867	(72,875)
Tax paid		(2,760)	(2,779)
		<hr/>	<hr/>
Net cash from operating activities		124,107	(75,654)
Cash flows from investing activities			
Acquisition of tangible fixed assets		(8,903)	(41,094)
Interest received		3,486	3,732
Dividends received		24,842	27,497
Purchase of investments		(79,485)	(24,917)
Proceeds from sale of investments		62,887	705
		<hr/>	<hr/>
Net cash from investing activities		2,827	(34,077)
Cash flows from financing activities			
Cash (placed)/withdrawn from deposit		(2,117)	97,089
		<hr/>	<hr/>
Net cash from financing activities		(2,117)	97,089
		<hr/>	<hr/>
Net increase in cash and cash equivalents		124,817	(12,642)
Cash and cash equivalents at 1 June		451,362	464,004
		<hr/>	<hr/>
Cash and cash equivalents at 31 May		576,179	451,362
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 59 to 71 form part of these financial statements.

The Pharmaceutical Society of Northern Ireland

Statement of changes in equity for the year ended 31 May 2016

	Income and expenditure account £	Premises renovation grant £	Total funds £
Balance at 1 June 2014	942,497	11,375	953,872
<i>Total comprehensive income for the year</i>			
Profit or loss	(770)	-	(770)
Other comprehensive income			
Premises grant amortisation	1,030	(1,030)	-
	-----	-----	-----
Total comprehensive income for the year	260	(1,030)	(770)
	-----	-----	-----
Balance at 31 May 2015	942,757	10,345	953,102
	=====	=====	=====

	Income and expenditure account £	Premises renovation grant £	Total funds £
Balance at 1 June 2015	942,757	10,345	953,102
<i>Total comprehensive income for the year</i>			
Profit or loss	(33,072)	-	(33,072)
Other comprehensive income			
Premises grant amortisation	1,030	(1,030)	-
	-----	-----	-----
Total comprehensive income for the year	(32,042)	(1,030)	(33,072)
	-----	-----	-----
Balance at 31 May 2016	910,715	9,315	920,030
	=====	=====	=====

The notes on pages 59 to 71 form part of these financial statements.

The Pharmaceutical Society of Northern Ireland

Notes to the Financial Statements for the year ended 31 May 2016

1. Principle Accounting Policies

The Pharmaceutical Society of Northern Ireland (the “Society”) is a statutory regulatory body for pharmacists, domiciled in Northern Ireland.

The financial statements have been prepared as required by Regulation 4C of the Pharmacy (Northern Ireland) Order 1976 and in accordance with the accounting policies set out in this note, which have been determined by the Council to be appropriate to the Society’s circumstances having regard to the recognition and measurement criteria of current accounting standards issued by the UK Financial Reporting Council (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Ireland* (‘FRS102’), as issued in September 2015, with the exception of:

- Payments to former employees under which the obligation has been estimated in accordance with FRS102.21 Provisions and Contingencies, rather than FRS102.28 Employee Benefits as a defined benefit obligation; and
- The Society has prepared financial statements which present information about the Society only and does not incorporate financial information relating to certain funds (Pharmacists Advice and Support Fund, the CW Young Scholarship Fund and the Ronnie McMullan Fund) whose operations are directed by the Society. The Council considers that it is appropriate not to incorporate this information into the Society’s financial statements as required by FRS102 and details of the funds are provided in the unaudited appendices to the financial statements.

The presentation and functional currency of these financial statements is Sterling.

In the transition to FRS 102 from old UK GAAP, the Society has made measurement and recognition adjustments. An explanation of how the transition to FRS 102 has affected financial position and financial performance of the Society is provided in note 14.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption of FRS 102, the Society has not retrospectively changed its accounting under old UK GAAP for derecognition of financial assets and liabilities before the date of transition or accounting estimates.

Management have assessed that there are no estimates or judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements.

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

1. Principle Accounting Policies (continued)

Measurement convention

The financial statements are prepared on the historical cost basis except investments which are measured at their fair value.

Going concern

The Pharmaceutical Society's activities together with factors affecting future, development, performance and position are set out in the Statement of Financial Activities. The Pharmaceutical Society NI has satisfactory financial resources and is in a strong net asset position. As a consequence the Council believes that the Pharmaceutical Society NI is well placed to manage its risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Financial information relating to funds administrated by the Society

Certain funds (Pharmacists Advice and Support Fund, the CW Young Scholarship Fund and the Ronnie McMullan Fund) whose operations are directed by the Society are not incorporated in the financial statements. The financial statements present information about the Society only.

Revenue

Turnover represents the invoice value of service and is recognised on provision of the related service.

Retention, licences and registration fees are recognised on commencement of the relevant annual registration period.

Revenue from examinations is recognised in proportion to the stage of completion of the delivery of this service at the reporting date. The stage of completion is assessed by management.

Interest is included in the income and expenditure account on an accruals basis. Dividend income is recognised when the security is declared ex-dividend.

Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs.

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

1. Principle Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Equity investments

Equity investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit and loss). Subsequently, they are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

If a reliable measure of fair value is no longer available, the equity instrument's fair value on the last date the instrument was reliably measurable is treated as the cost of the instrument.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to expenditure on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

- Property - 40 years line
- Furniture and office equipment - 4-7 years
- Computer equipment - 4 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Society expects to consume an asset's future economic benefits.

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

1. Principle Accounting Policies (continued)

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Society would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Post-retirement benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Society pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income and expenditure account in the periods during which services are rendered by employees.

Payments to former employees

The Society has a commitment to provide annual payments to a former employee. The Society's obligation in respect of this member is calculated by estimating the amounts of future benefit that the member is estimated to receive and is recognised as a liability of the Society.

The liability is measured based on publicly available actuary mortality tables and other relevant assumptions using guidance set out in FRS102.21 Provisions and Contingencies.

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

1. Principle Accounting Policies (continued)

Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income and expenditure account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met to the extent that it is not probable that they will reverse in the foreseeable future. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Grants

Premises Renovation Grant

The premises renovation grant was recorded in reserves on receipt and is amortised into the income and expenditure account at 2.5% per annum in line with the depreciation period on the property.

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

2. Expenses and auditors' remuneration

	2016 £	2015 £
<i>Operating deficit on operating activities before tax is stated after charging/ crediting:</i>		
Depreciation of tangible assets	44,739	11,697
Auditors Remuneration:		
- Audit of these financial statements	9,000	9,000
Amounts receivable by the auditors in respect of		
- Taxation compliance	2,100	2,100
- Other Services	-	3,500
	<u> </u>	<u> </u>

3. Taxation

Total tax expense recognised in the income and expenditure account

	2016 £	2015 £
<i>Current tax</i>		
Current tax on income for the period	2,760	2,779
	<u> </u>	<u> </u>
Total current tax	2,760	2,779
<i>Deferred tax</i>		
Origination and reversal of timing differences	(14,430)	3,326
Impact of change in tax rates	(2,924)	-
	<u> </u>	<u> </u>
Total deferred tax (note 8)	(17,354)	3,326
	<u> </u>	<u> </u>
Total tax	<u>14,594</u>	<u>6,105</u>

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

4. Fixed Assets

	<i>University Street Property</i> £	<i>Furniture and Office Equipment</i> £	<i>Computer Equipment</i> £	<i>Total</i> £
Cost				
At 1 June 2015	86,014	136,087	131,293	353,394
Additions	-	1,608	7,295	8,903
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2016	86,014	137,695	138,588	362,297
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 June 2015	64,152	117,389	81,092	262,633
Charge for year	2,559	14,172	28,008	44,739
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2016	66,711	131,561	109,100	307,372
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 May 2016	19,303	6,134	29,488	54,925
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 May 2015	21,862	18,698	50,201	90,761
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Society has no assets held under finance leases.

Notes to the Financial Statements for the year ended 31 May 2016 (continued).

5. Investments

	2016 £	2015 £
Fair value		
At beginning of year	775,907	735,067
Additions	79,485	24,917
Disposals	(62,887)	(705)
Fair value adjustments	(71,311)	16,628
	<hr/>	<hr/>
At end of year	721,194	775,907
	<hr/> <hr/>	<hr/> <hr/>

Investments comprises listed investments which as at 31 May 2015 the market value of these investments was £721,194 (2015: £775,907).

6. Debtors

	2016 £	2015 £
Trade debtors	592,029	567,251
Prepayments and accrued income	140,987	99,382
	<hr/>	<hr/>
	733,016	666,633
	<hr/> <hr/>	<hr/> <hr/>

7. Creditors

	2016 £	2015 £
Trade Creditors	57,995	49,442
Accruals	96,304	99,571
Deferred Income	1,031,424	884,474
Taxation and Social Security Costs	15,852	11,331
	<hr/>	<hr/>
	1,201,575	1,044,818
	<hr/> <hr/>	<hr/> <hr/>

8. Deferred tax liability

	2016 £	2015 £
Investments	11,888	29,242
	<hr/>	<hr/>
Deferred tax liability	11,888	29,242
	<hr/> <hr/>	<hr/> <hr/>

The movement during the year comprises a credit of £17,354 (2015: Charge of £3,326) which is recognised in gain or deficit for the year.

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

9. Employee benefits

Defined contribution plans

The Society operates a defined contribution plan. Contributions payable by the Society for the year ended 31 May 2016 amounted to £23,214 (2015: £27,197). No contributions were outstanding at year end (2015: nil).

	2016
	£
Payments to former employees	
At beginning of year	161,123
Charge to the income and expenditure account for the year	10,043
Benefits paid	(13,606)
	<hr/>
At end of year	157,560
	<hr/> <hr/>

The provision relates to the Pharmaceutical Society's obligation to make annual payments to a former employee.

10. Commitments

The Society had no contractual commitments contracted for but not provided in the financial statements (2015: nil).

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

11. Contingent liabilities

In the course of the 2014/15 review of fees, which was the subject of public consultation, the Department of Health Social Services and Public Safety (DHSSPS) was requested, pursuant to Articles 5 and 25A of The Pharmacy (1976 Order) (Amendment) Order (Northern Ireland) 2012 as amended, to approve amendments to some of the fees levied by the Society. During this approval process it became clear that, in the last round of substantive amendments to fees in 2009, some of the changes we had requested at that time had for some reason not in fact been incorporated in new Regulations as expected.

The Council initiated an immediate and comprehensive review of fees charged and their historic legislative basis. As a result, it became clear that a number of anomalies had arisen over a period of twenty years such that some registrants and prospective registrants were charged fees for services provided on the basis of a fee structure that was not wholly contained in Regulations.

Council has taken legal advice concerning any potential liability to repay sums charged in excess of statutory authority to affected persons. Council does not consider it appropriate or equitable to refund any of the sums that have been charged in excess of statutory authority.

No provision has been made by the Pharmaceutical Society NI for future costs or refunds in this regards and such sums are deemed to represent a contingent liability. The total amount of fees charged in excess of statutory authority is estimated to be £340k (2015: £340k).

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

12. Related party transactions

During the year none of the Council members or members of the key management staff has undertaken any material transactions with related parties.

Total compensation (including pension contributions & benefits) of key management personnel in the year amounted to £254,309 (2015: £251,768). Total compensation of Council Members in the year amounted to £40,542 (2015: £45,373).

During the year the Society paid attendance fees to Council members totalling £38,819 (2015: £42,250). The Council also paid expenses to Council members totalling £1,723 (2015: £3,123).

No fee (2015: £114) was paid to a Council member for composition of examination questions.

Registrant members of the Council are required to pay a Retention Fee to the Pharmaceutical Society of NI, on the same basis as other registrant members.

The CW Young Scholarship Fund, The Ronnie McMillian Trust Fund and the PASS fund are deemed to be related parties by virtue of the fact the trustees are non-executive directors or executive members of the Society. During the year, expenses of £3,295 (2015: £3,955) were recharged from the Funds to the Society. Additionally expenses of £22,189 (2015: £19,983) were recharged from the Society to the Funds. The Funds owe £101,772 (2015: £79,582) to the Pharmaceutical Society NI as at 31 May 2015 and the Society owes £28,365 (2015: £25,229) to the funds as at 31 May 2015.

13. Subsequent events

Subsequent to the balance sheet date, no events have occurred affecting the Society's financial statements.

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

14. Explanation of transition to FRS 102 from old UK GAAP

As stated in note 1, these are the Society's first financial statements prepared with regard to FRS 102.

The accounting policies set out in note 1 have been applied in preparing these financial statements and in the preparation of an opening Balance Sheet at 1 June 2014 (the date of transition). This note sets out a detailed explanation of the effect of adopting FRS 102 on transition and for the comparative period presented which has been restated.

Impact of transition to FRS 102

The following is an explanation of the key adjustments arising on transition to FRS102 at 1 June 2014 and the impact of restatement on the results and financial position for the year ended 31 May 2015:

Equity investments

The Society holds listed investments. Previously, these investments were recognised in the financial statements at cost less impairment. Under FRS 102, the Society is required to recognise such investments at fair value with changes in fair value recognised in profit and loss.

The fair value of investments recognised at 1 June 2014 was £735,067 (carrying value £605,486). Similarly, the fair value of investments recognised at 31 May 2015 was £775,907 (carrying value: £598,279).

The impact on the reported deficit for the recognition of increase in market value of investments for the year ended 31 May 2015 was £48,047.

Additionally, a deferred tax liability has also been recognised in respect of the tax liability on investments when they are sold. A deferred tax liability has been recognised at 1 June 2014 of £25,916 and at 31 May 2015 of £29,242. The impact on the reported deficit was an increase in taxation of £3,326.

Reconciliation of previously reported profit for the year ended 31 May 2015

	2015 £
Deficit for the financial year as previously reported under old UK GAAP	(44,461)
<i>Adjusted for:</i>	
Investments	48,047
Deferred tax	(3,326)
	<hr/>
Deficit for the year as restated under FRS 102	260
	<hr/> <hr/>

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

14. Explanation of transition to FRS 102 from old UK GAAP (continued)

Reconciliation of previously reported total comprehensive income for the year ended 31 May 2015

	2015 £
Total recognised gains and losses for the financial year as previously Reported under old UK GAAP	(211,741)
<i>Adjusted for:</i>	
Investments	48,047
Deferred tax	(3,326)
	<hr/>
Total comprehensive income for the year as restated under FRS 102	(167,020)
	<hr/> <hr/>

Reconciliation of previously reported funds as at 1 June 2014 and 31 May 2015

	31 May 2015 £	1 June 2014 £
As previously reported under old UK GAAP	804,716	850,207
<i>Adjusted for:</i>		
Investments	177,628	129,581
Deferred tax	(29,242)	(25,916)
	<hr/>	<hr/>
Total funds as restated under FRS 102	953,102	953,872
	<hr/> <hr/>	<hr/> <hr/>

15. Comparative amounts

Certain comparative amounts within expenditure in the Income and Expenditure Account have been reclassified in the current year financial statements to enable comparability.

The following appendices do not form part of the audited financial statements

THE PHARMACEUTICAL SOCIETY OF NORTHERN IRELAND

**UNAUDITED INCOME AND EXPENDITURE ACCOUNT AND BALANCE SHEET
OF THE CW YOUNG SCHOLARSHIP FUND FOR THE YEAR ENDED 31 MAY
2016**

APPENDIX 1

	Cost	Related Income	
		2016	2015
	£	£	£
Investments	138,600	5,773	4,917
Gain on sale of shares	-	50	5,994
Debtors	55	-	-
Ulster Bank Ltd. - Current Account	917	-	-
Cunningham Coates - Deposit Account	23,416	106	129
Creditors	(14,817)	-	-
	<u>148,171</u>	<u>5,929</u>	<u>11,040</u>
INCOME ACCOUNT		2016	2015
		£	£
At Beginning of Year		142,446	133,890
Income for Year		5,929	11,040
Management Charge		(1,650)	(1,679)
Research Grant		(3,505)	-
Sundry		(590)	(805)
At End of Year		142,630	142,446
CAPITAL ACCOUNT		5,541	5,541
		<u>148,171</u>	<u>147,987</u>

THE PHARMACEUTICAL SOCIETY OF NORTHERN IRELAND

**UNAUDITED INCOME AND EXPENDITURE ACCOUNT AND BALANCE SHEET
OF THE RONNIE MCMULLAN TRUST FUND AS AT 31 MAY 2016**

APPENDIX 2

	Related Income	
	2016	2015
	£	£
Ulster Bank Ltd - Current Account	1,300	-
Ulster Bank Ltd - Deposit Account	16,675	13
	<hr/>	<hr/>
	17,975	13
Creditors	1,721	-
	<hr/>	<hr/>
Net Assets	16,254	13
	<hr/> <hr/>	<hr/> <hr/>
	2016	2015
	£	£
INCOME ACCOUNT		
At beginning of year	16,254	17,962
Bank interest	-	13
Costs paid by Society	-	(1,721)
	<hr/>	<hr/>
At end of year	16,254	16,254
	<hr/> <hr/>	<hr/> <hr/>

THE PHARMACEUTICAL SOCIETY OF NORTHERN IRELAND

PHARMACISTS ADVICE AND SUPPORT SERVICES (FORMERLY NORTHERN IRELAND CHEMISTS BENEVOLENT FUND)

UNAUDITED INCOME AND EXPENDITURE ACCOUNT AND BALANCE SHEET AT 31 MAY 2016

APPENDIX 3

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2016

	2016	2015
	£	£
INCOME		
Dividend Received	18,384	17,872
Presidents Appeal	3,295	2,249
Bank Interest	<u>333</u>	<u>332</u>
	22,012	20,453
EXPENDITURE		
Grants	1,335	362
Management Charge	4,374	4,429
Bank Charges	12	-
Salary Costs	10,563	10,234
Stationery	-	100
Counselling	-	1,032
Legal and Professional Fees	-	300
Help Line	3,501	3,971
Sundry	279	1,147
Telephone	1,260	1,981
Website & Branding	<u>540</u>	<u>-</u>
	21,864	23,556
DEFICIT OF INCOME OVER EXPENDITURE	148	(3,103)

BALANCE SHEET AS AT 31 MAY 2016

	2016	2015
	£	£
CAPITAL EMPLOYED ASSETS		
INVESTMENTS	<u>469,958</u>	<u>468,157</u>
CURRENT ASSETS		
Cash at Bank	3,074	2,931
Cash on Deposit	73,920	61,175
Sundry Debtors	28,366	25,071
	<u>105,360</u>	<u>89,177</u>
CURRENT LIABILITIES	<u>85,234</u>	<u>67,602</u>
NET ASSETS	<u>490,084</u>	<u>489,732</u>
REPRESENTED BY:		
CAPITAL ACCOUNT		
At start of year	489,732	475,575
Surplus/ (Deficit) of Income over Expenditure	148	(3,103)
Realised gain/ (loss) on investments	204	17,260
	<u>490,084</u>	<u>489,732</u>
At end of year	<u>490,084</u>	<u>489,732</u>

