



Annual Report **2014–2015**



australian
pharmacy
council

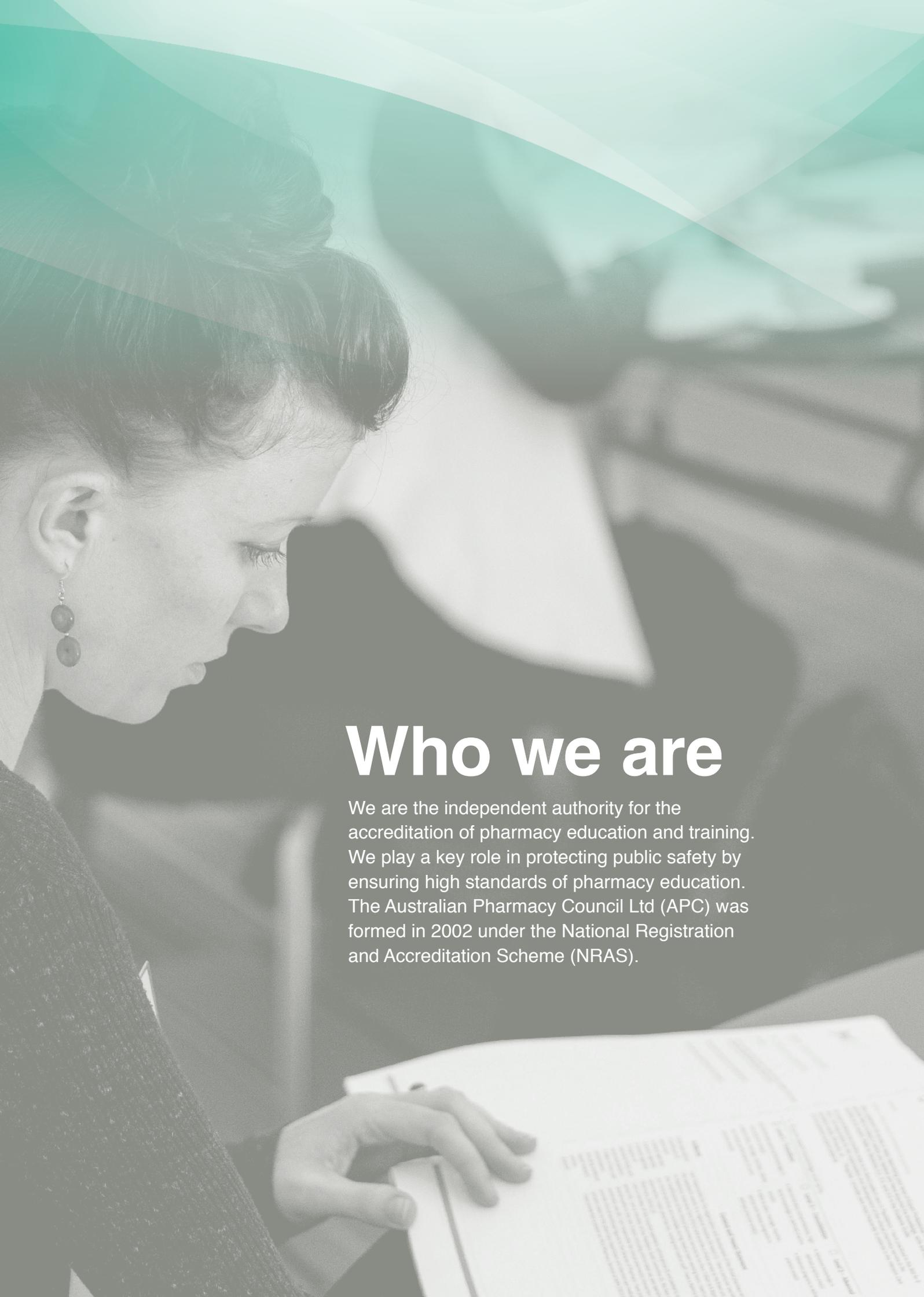




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A woman with dark hair tied back, wearing a dark top and a small earring, is shown in profile from the chest up. She is looking down at a large document or book she is holding. The background is a blurred classroom with other students and desks. The entire image has a teal-to-white gradient overlay that is most prominent at the top and fades towards the bottom.

Who we are

We are the independent authority for the accreditation of pharmacy education and training. We play a key role in protecting public safety by ensuring high standards of pharmacy education. The Australian Pharmacy Council Ltd (APC) was formed in 2002 under the National Registration and Accreditation Scheme (NRAS).

We are a not-for-profit company limited by guarantee that operates under a constitution. Our funding is derived from grants and fees from our accreditation, assessment and examinations services.

Our current members include pharmacy professional organisations, the Pharmacy Council of New Zealand, pharmacists and individuals with an interest in the company and the pharmacy profession.

We accredit education programs, assess the competence of pharmacists and conduct written examinations on behalf of the Pharmacy Board of Australia. This work ensures pharmacists have the skills and knowledge to deliver effective health care that meets the changing needs of the community. We operate as a part of NRAS, and work with the Pharmacy Board of Australia and the Pharmacy Council of New Zealand.

We are also the independent entity responsible and accountable for the credentialing of advanced practitioners in Australia. This role is endorsed on behalf of the profession by the Advanced Pharmacy Practice Framework Steering Committee.

OUR VISION

To be a leading accreditation and educational assurance agency.

OUR MISSION

APC is an independent body engaged, in the public interest, in the development and assurance of education, training and assessment standards.

OUR VALUES

In all of our activities, we maintain:

- Independence and high ethical standards
- Honesty and transparency
- Accountability to clients and stakeholders
- Evidence-based decision making and benchmarking
- High quality business processes and outcomes
- Continuous improvement
- Collaborative models of leadership

OUR STRATEGIC PRIORITIES

- Best practice accreditation, assessment and examination services
- Capable and reliable systems and processes
- Sustainable growth
- Enhanced communication and reputation
- Appropriate resources in people and finances



From the **President**

Over this past year, we have continued our journey as a leading accreditation and educational assurance agency. This has been assisted by the confidence expressed in the APC by both the Pharmacy Board of Australia and the profession at large, which has allowed us to continue to provide the accreditation function under the National Registration and Accreditation Scheme (NRAS) and to initiate a credentialing program for advanced practice pharmacist recognition.



Debra Rowett
President

There are four initiatives led by our Council that I would like to highlight for you:

- A review of our Constitution
- The Review of the National Registration and Accreditation Scheme
- Investment in our Information Systems
- Strategic leadership in the national and international arena

This year we decided it was time for us to update our APC Constitution, which had not been reviewed since 2011. Minor amendments were made, which included removing 'inaugural' clauses, slight changes to membership terms and resignation notice periods, an increase to the President's term from one to two years, and changes to our committees with a By-law structure. These changes were made and approved unanimously by our members at an Extraordinary General Meeting held in May 2015.

In August 2014 Health Ministers released the initial discussion paper for the review of the NRAS. This prompted us to undertake strategic and operational reviews of the APC; the strategic review included scenario planning by the Council and senior management, which has assisted Council to set some clear strategic priorities. The operational review allowed us to review our efficiency and cost effectiveness and to improve our policies, processes and procedures. This has included streamlining of operations in both accreditation and examinations/assessments. We are determined to be efficient and cost effective, and the management team are responding to this. We expect the final report of the review to be released in August 2015, and expect to be well placed to respond to the findings.

Last year the Council made a strategic and conscious effort to invest in our Information Systems infrastructure, and approved implementation of the first stage of our Information Systems

Strategic Plan. This is a significant investment in the future of the company that will assist us to deliver our services on a modern IT platform. It will give Council the business intelligence to plan for future services. Stage One includes a new corporate brand for APC, which we implemented in May 2015 and we have had very positive feedback. The full Stage One is expected to be completed in October 2015, with the project 90% complete at the time of writing.

APC is active in both the local and international scene for pharmacy and health education. Locally we take a leadership role within the pharmacy sector with the Australian Pharmacy Liaison Forum, with our past-President John Low as Chair of this in 2014. We have also commenced the initiation of a credentialing system for Advanced Practice pharmacists, which will allow pharmacists to be recognised for their practice as leaders and innovators; this program will assist the profession to work at the top of its scope for the benefit of the public. Within the accreditation arena, we have taken carriage of initiatives across the professions with the Health Professions Accreditation Councils' Forum, specifically in the areas of prescribing and interprofessional teaching and learning. Internationally, we are active with the International

Federation of Pharmacists (FIP) where our people are invited speakers to the annual congress, and authored the Australian case study in the FIP Continuing Professional Development/ Continuing Education in Pharmacy; Global Report, published in 2014.

I must recognise the very significant contribution made by John Low as the President of APC for the 5 year period from 2010 until 2015; I took over from John in May 2015, so the achievements of this year reflect his leadership which has been an enormous asset to the APC. I am humbled to be chosen to succeed him in the presidency. John has remained as a Councillor since stepping down as President and I will very much value his wisdom and ongoing support. I would also like to thank the Chair of the Examining Committee, Emeritus Professor Lloyd Sansom, AO for his leadership of the Committee, expertise and ongoing commitment to ensuring we have the best available data to inform decision making and our examination processes. I would also like to acknowledge my fellow Councillors, and thank Ian Coombes and Tricia Greenway who recently completed their terms on Council. Ian continues as the Chair of our Advanced Practice Credentialing Committee, and his experience and leadership in this

area is a significant asset for APC.

Our work at APC depends on many people, including the large number of health and educational professionals and consumer members who serve on our committees, working groups and evaluation panels. I thank them all and also thank the Pharmacy Board of Australia for their support and the excellent working relationship that continues.

Our greatest strength is our people and I would like to thank our CEO Bronwyn Clark for her leadership and the members of the APC Staff. This team of people have worked hard and tirelessly this year throughout a period of considerable change, and I am grateful to them for their commitment to the aims of the APC.



Debra Rowett
President

The year in review **Chief Executive Officer**

This past year has been one of continuing growth as a best practice Accreditation Council. We have focused on both supporting the systems behind our processes and expanding into new services for the future.

The Council Strategic Plan gives a clear road map of our priorities through until 2016. We are making good progress against these priorities as part of our annual corporate plan which falls out of this strategy.

Responding to the review of the National Registration and Accreditation Scheme by Health Ministers has occupied a lot of time for many of us within the scheme. We have used this as further motivation to continue to review our efficiency and cost effectiveness and to improve our policies, processes and procedures. This has included streamlining of operations in both accreditation and

examinations/assessments, and working with other Accreditation Councils to find areas of common interest and potential synergies.

To support our operations, we have made considerable progress this year in the implementation of our Information Systems Strategic Plan (ISSP). The first stage of this plan was signed off by Council in August 2014. This work includes:

- the creation of a new corporate brand
- development of a new website
- a Customer Relationship Management (CRM) system
- an online customer portal and
- the implementation of a corporate intranet.

The new corporate brand was launched in early 2015 and has been very favourably received. One of the key deliverables has been the quarantining of our parent APC logo from the logos used by our accredited providers which has been a successful move for us. The CRM and customer portal will be live in the second half of 2015 and will transform the way that our examinations and assessments applicants interact with us. This will allow us to create more internal efficiencies.

To ensure we are correctly resourced for the future and are leveraging off the efficiencies arising from our new systems, we realised early in 2015

that we would need to commence an organisation restructure. This was a period of significant change for the team, and one that has been challenging for all concerned. This meant that we farewelled some of our people in June, and will welcome others in July 2015 when the new structure will be in place. Throughout this I have been humbled by the dignity displayed by many of those whose positions were disestablished and the supportive and caring way in which others rallied together.

A significant achievement in our examinations team was successful transition of all our examinations to computer delivered exams in countries and venues across the globe. Our Knowledge Assessment of Pharmaceutical Sciences (KAPS) exam was the final examination to move to computer-delivery. During the year we saw 316 candidates sit this exam without issue.

We continue to provide a service for other professions paper-based examinations across the world through our Clearing House operations. This delivered a record number of examination sessions in this past year to 2285 candidates.

Our accreditation team is responsible for the accreditation and monitoring of over 30 programs and this year began assessing the degree programs against the 2014 Accreditation standards. This has required our staff to use their expertise to assist the



Bronwyn Clark
Chief Executive Officer

Accreditation Committee to transition conditions and monitoring of current programs to these new standards.

We have also prepared new standards and accompanying guidelines for CPD providers. Our team held workshops and forums to assist providers to understand what the new standards mean for them. This included a forum with Universities on accreditation standards related to:

1. the external moderation and validation of examinations and
2. the 2 standards regarding the involvement of indigenous peoples in the delivery of the program and educational outcomes regarding cultural competence.

Our newly established credentialing team has been working hard on with our pilot program for the recognition of advanced pharmacists against the Advanced Pharmacy Practice Framework. We were overwhelmed with expressions of interest from pharmacists wishing to participate in the pilot. The final selection of just under 50 pharmacists submitted their portfolios for assessment in May. The evaluation of this first pilot group will be completed later this year and the first credentials of Advanced Pharmacist Practitioner will be awarded in September. The program will begin with paid participants later in 2015.

Our relationships are very important to us and we enjoy a collaborative and robust relationship with the Pharmacy Board of Australia. We also continue to work collaboratively as part of the Health Professions Accreditation Councils' forum.

This year, in collaboration with the Australian Medical Council, the Australian Nursing and Midwifery Council, and the Council of Chiropractic Education Australasia, we held a successful 1 day workshop on inter-professional education with education providers, regulators, accreditors and health policy makers. This is the start of a program of work we will do across the health professions in the coming years.

On the international front, we have continued our close relationship with the Pharmacy Council of New Zealand (PCNZ) and in July we re-signed a Memorandum of Understanding with their Council.

In September, at the International Pharmacists Federation (FIP), we signed a Memorandum of Understanding with the Royal Pharmaceutical Society (UK) which outlines our relationship of sharing around the credentialing of pharmacists. We have also continued developing our relationship with the American Accreditation Council for Pharmacy Education (ACPE) and I remain as a member of the ACPE's International Services Program Advisory Group (ISPAG).

This year we hosted our second "Colloquium" in Brisbane in August, where over 120 participants joined us in person for a day of discussion on the Mysteries of Time and Space: Preparing future practitioners for patient centred care. A further 50 joined by webcast. This event was a great success and the Colloquium will continue as part of the regular APC calendar.

The future for the APC will rely on us building on our expertise to grow our services and provide the public with the best practice accreditation and assessment services. I am most grateful to those members of the pharmacy profession who assist us as Councillors, committee members, assessors, evaluators, exam writers and exam reviewers. Equally, the community members of our Council and committees are excellent contributors, and I would like to thank each of these people for their work.

This year we have a new President in Debra Rowett, and I know she will serve the organisation exceptionally well. I would like to acknowledge our out-going President John Low. John's contribution as APC President for the past 5 years has been outstanding and I am most grateful to have had the chance to learn under his wise counsel and guidance.

Finally I am most grateful to my team for their work and dedication. The next period for us will be one of hard work and continuing change. We will work together to ensure that we are able to achieve our goal of ensuring the standards of education and training of the profession and promote and protect the health of the public.



Bronwyn Clark
Chief Executive Officer

APC AT A GLANCE



Accreditation

WE COMPLETED:

- 3 Accreditation Site Evaluation Team (SET) visits of pharmacy degree programs
- 6 Intern Training Provider (ITP) site audits
- 4 Continuing Professional Development activity audits

WE ACCREDITED:

- 1 New pharmacy degree program

WE MONITORED:

- 27 Pharmacy degree programs

WE RESOLVED:

- 12 Pharmacy degree program conditions



Examinations & assessments

WE DELIVERED:

- 370 Exams for internationally trained pharmacists
- 1891 Examinations to interns in Australia
- 250 Examinations to interns in New Zealand

WE OFFERED:

- 17 Exam sessions in Australia and overseas

OUR CLEARING HOUSE DELIVERED:

- 7,558 Exam papers in 20 countries for 10 professions

WE PROCESSED:

- 278 Eligibility assessments for overseas-trained pharmacists

WE ANSWERED:

- 2395 Examinations and assessments phone calls

WE REPLIED TO:

- 2143 Examinations and assessments emails



Advanced Practice Credentialing

WE SELECTED:

- 55 Pilot participants across academic, community, hospital and industry

WE RECEIVED:

- 43 Portfolios for review

WE TRAINED:

- 21 Evaluators



International collaboration

Our relationships with our international partners and sister organisations are an important part of our strategy to ensure we can deliver on best-practice accreditation. We continue to work and develop collaborations with a number of international organisations. Some relationships are to assist us to grow our services, and others are to foster sharing through Memoranda of Understanding (MOU).

Pharmacy Council of New Zealand

We have a unique strategic relationship with the Pharmacy Council of New Zealand (PCNZ). PCNZ is a shareholder member of the APC and has the ability to nominate a director (Councillor) to our Council. Our MOU outlines the special relationship that we have, and in July we renewed this at a meeting in Wellington.

The services we deliver to PCNZ include accreditation and examinations, both within New Zealand, Australia and around the world.

Royal Pharmaceutical Society of Great Britain

Since early 2014 we have been in discussions with the Royal Pharmaceutical Society (RPS) on how we can learn from their “Faculty” model for recognition of advanced practice. In September 2014, we signed a MOU with the RPS that outlines our special relationship at the FIP conference in Bangkok.

Our relationship includes our appointment of Dr Catherine Duggan, RPS Director of Professional Development and Support on our Credentialing Committee, and the use of RPS expertise in moderation of our pilot portfolios.

General Pharmaceutical Council of Great Britain

The General Pharmaceutical Council (GPhC) is the regulator for pharmacists and pharmacy in the United Kingdom. We continue to share ideas on accreditation and examination processes with them, and meet with them at least annually.

Accreditation Council for Pharmacy Education

We continue to meet regularly with the Accreditation Council for Pharmacy Education (ACPE), and use the FIP conference as a vehicle

for these meetings. Our MOU with ACPE encourages sharing of information and processes between our 2 organisations. APC CEO Bronwyn Clark is also a member of the ACPE International Services Program Advisory Group (ISPAG).

Fiji Pharmacy and Poisons Board

As part of collegial support to Pacific neighbours, the APC continues to provide the Fiji Pharmacy and Poisons Board with a written exam for use for their new registrants.

Accreditation of international pharmacy programs

We have commenced providing accreditation services for overseas pharmacy programs against the Accreditation Standards for Pharmacy Programs in Australia and New Zealand 2014. Because the Accreditation Standards contain specific standards to the Australian and New Zealand practice and education regulatory environment, international programs are only eligible for “Accreditation with Conditions”. These programs are not able to be recognised as registrable qualifications by the Pharmacy Board of Australia or the Pharmacy Council of New Zealand.

The first programs to be considered will be visited in 2016.



Advanced practice credentialing: *important for pharmacy... and for APC*

Advancing the profession of pharmacy through recognising advanced pharmacy practitioners has been an exciting and innovative new program for the Australian Pharmacy Council in 2014-15.

The beginning of a credentialing of advanced pharmacy practice pilot program in November 2014 marked an important event for APC. It brought to fruition the strategic direction of the Council over a number of years.

As background, the Advanced Pharmacy Practice Framework Steering Committee¹ released the Advanced Pharmacy Practice Framework (APPF) in 2012. APC was an active member of this committee.

In December 2013, APC was endorsed by the organisations

that represent the pharmacy profession, through the APPFSC as the independent entity responsible for the credentialing of advanced practitioners.

In 2014, APC's Advanced Pharmacy Practice Credentialing Committee (APCC) was established, with inaugural Chair Dr Ian Coombes. The Committee developed the *APC Evaluation Standards, Policies and Procedures* and an *Evidence Guide* which involved 2 rounds of stakeholder consultation.

In starting the pilot program, a call for expressions of interest saw 138 applications received from pharmacists willing to have their practice portfolios evaluated against the APPF. 50 pharmacists were selected and subsequently 48 agreed to continue with the next phase of the pilot program.

In selecting the pilot participants, we were excited to see the range of expert professional practice areas that pharmacists are involved. We chose participants from across the breadth of pharmacy practice environments – hospital, academia, community pharmacy, independent accredited pharmacists, research and more. This reflects the intent of the design of the APPF – to be sufficiently flexible to serve as a template for describing advanced practice expectations in all areas of professional practice.

Pilot participants were well supported throughout the development of their practice portfolio. Feedback from participants on the support and guidance by APC has been positive with comments from candidates including: "I have been very impressed by the enthusiasm of the APC team and advisory committee for the program and I feel the initiative is timely for our



¹ APPFSC, now known as the Pharmacy Practitioner Development Committee (PPDC).

“ I have been very impressed by the enthusiasm of the APC team and advisory committee for the program and I feel the initiative is timely for our profession

profession”. This also involved ongoing liaison and communication with Readiness Support Organisations (RSOs)² to ensure APC and RSOs were as consistent as possible in the messages provided to pilot participants.

At end-April 2015, 43 portfolios were submitted (38 applicants, 10 withdrawals, 5 pharmacists from the APC Advanced Practice Credentialing Committee).

Another significant challenge for the pilot program was the training of Credentialing evaluators. 21 evaluators (14 pharmacists, 7 other health professionals) were trained in two training sessions in May and June. CEO Ms Bronwyn Clark said: “The training was an important milestone for the advanced pharmacy practice pilot project. APC has developed a rigorous and robust evaluation and

scoring methodology that will ensure confidence in the evaluation process of advanced practice pharmacists.”

In post-workshop feedback, all evaluators agreed or strongly agreed that the workshop delivered on its objectives. 94% of evaluators agreed or strongly agreed that they now understood the scoring methodology and the use of the Advanced Pharmacy Practice Framework as an evaluator rubric.

What has been exciting for the program is the positivity of candidates and their awareness of what this means for the profession. 83% of pilot participants expressed a sense of professional fulfilment in collating their portfolios. 83% strongly agreed/agreed they would recommend to other pharmacists to pursue advanced practice recognition. One candidate said: “the most

positive aspect is the feeling I may be acknowledged for previous and ongoing efforts to achieve excellence in my profession; and pride for my personal achievements.”

A fundamental premise of effective health care is the provision of services that meet the needs of the public. When these needs change, appropriate modification to the type and manner in which health care services are delivered is required. The credentialing of advanced practice pharmacists will provide a pathway for pharmacists to progress to a more prominent place as an expert in medicines use, recognised and respected by other health professions and the public and encourage a culture of lifelong learning and ongoing professional development.



² Pharmacy membership organisations (AACP, ACP, PSA, PGA, SHPA) provide ‘readiness support’ to members applying for recognition as an advanced practitioner.

Computer based testing

Continuous improvement in examination activity is a key goal for us at the Australian Pharmacy Council.

We recognise that our candidates and partners expect to have access to timely and professional examination services. We also know that this expectation will continue to grow in the future and we need to be ready to meet and exceed these expectations.

In early 2015, we completed our move to computer-based testing (CBT) for all of our examinations.

This move to CBT finished an operational phase of examination operation activity that commenced with the CBT implementation of the Intern Written Examination in 2010.

We moved our Competency Assessment of Overseas Pharmacists (CAOP) examination to CBT in 2013. In 2014 we began delivering the NZ Intern Written Examination on behalf of the Pharmacy Council of New Zealand by CBT.

The Knowledge Assessment of Pharmaceutical Sciences (KAPS) examination was the final examination to move to computer-based testing in March 2015. This session was held in 9 different countries around the world, from London to Kenya to the Philippines. In moving the examination to CBT, we were also able to add in another session across the year. With the ability to deliver this examination in more than 20 international venues and 8 Australian venues, this move has significantly increased our ability to reach KAPS candidates.

We worked closely with our examination delivery partner, Pearson VUE, to ensure the transition to computer-based-testing was a smooth one for all of our candidates. Online tutorials for each examination were developed that allows candidates to use the computer software at their convenience any time before they sit the examination.

Delivering examinations via computer has increased the security of examination papers, reduced result processing times and allowed us to expand the number of examinations sessions offered to our candidates.

CBT allows us to collect and analyse large amounts of data about our examinations and examination questions. This data is scrutinised and key information is fed back into our examination and question writing processes.

It has also enabled us to collate and interrogate examination trends over thousands of attempts and dozens of different venues. These trends help us ensure that our examinations are valid and reliable assessment tools.



2014 Colloquium

Following on from the success of our 2013 Colloquium, we held the 2014 Colloquium in Brisbane on 19 August 2014.

The popularity of the 2014 Colloquium topic, 'The Mysteries of Time and Space: Preparing future practitioners for patient-centred care', was evident from the 144 attendees and some 50 web-cast/online participants. To ensure students and interns were able to attend, we offered a range of travel grants to nominated individuals.

Marshall Moleschi, Registrar of the Ontario College of Pharmacists, Canada, gave a timely and captivating account of the Canadian experience moving towards patient-centred care. Lisa Nissen presented thought-provoking data from the Queensland vaccination pilot that painted a vivid picture of a possible future role for pharmacists.

Perhaps the highlight of the day was the lively and robust panel discussion which threw out a number of challenging and exciting ideas about how Australian pharmacists may need to change and adapt in the future.

Feedback from attendees was overwhelmingly positive and will be used to help shape future Colloquia.



SESSION TITLE

SPEAKER

Are graduates prepared for patient centred practice? What the research tells us.

Andrew Gilbert

Keynote Address: Journey to patient centred care – A Canadian perspective

Marshall Moleschi

Panel Discussion

How will Pharmacy deliver on patient-centred care in the next ten years? (three phrases)

Panel Convenor: Dr Ian Coombes

Shane Jackson
Greg Kyle
Sarah Sinclair
Andi Shirtcliffe
Michael Dooley

Advancing practice a rising tide for patient centred care?

Kirstie Galbraith

Skills Workshop: *Educating for patient centred care*

Debra Rowett
Neil Cottrell

Will administration of vaccinations change the relationship between pharmacist and patient?

Lisa Nissen
Chris Campbell
Michelle Rosenthal



Development of Accreditation Standards for Pharmacists' Vaccination Training Courses

The Standards for the Accreditation of Programs to Support Pharmacist Administration of Vaccines (Standards) were released in February 2015. These aim to define the measurable characteristics that vaccinations programs must display. They are the Standards that activities will be assessed against to ensure that:



- pharmacists receive complete and current education and training to a minimum defined standard; and
- the assessment of each pharmacist's competence is valid, reliable, flexible and fair.

A draft of the Standards were released for public consultation in July 2014.

The consultation process gathered feedback on the draft standards as well as the proposed processes for the quality assurance of pharmacist vaccination training programs. The responses we received from the pharmacy profession and the state departments of health were extremely valuable in defining the scope and structure of the Standards.

We undertook a second round of consultation in December 2014 to establish agreement on the experiential learning requirements. The second round of consultation focused on the number of supervised injections administered to be completed during training. As a result the required number of injections were changed from 20 to 2 injections (1 subcutaneous and 1 intramuscular).

The final version of the Standards were released in February 2015.

Australian Pharmacy Council Limited

ABN: 45 568 153 354

Financial Statements

for the year ended 30 June 2015

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These financial statements are the financial statements of Australian Pharmacy Council Limited as an individual entity. The financial statements are presented in the Australian currency.

Australian Pharmacy Council Limited is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Australian Pharmacy Council Limited
Level 2 Ethos House
28-36 Ainslie Place
Canberra ACT 2601

The financial statements were authorised for issue by the directors on 7 September 2015. The directors have the power to amend and reissue the financial statements.

Directors' report

Your directors present their report on the Australian Pharmacy Council Limited (APC) for the year ended 30 June 2015.

Directors

The following persons were directors of APC during the whole of the financial year and up to the date of this report:

Mr John Low
Mrs Debra Rowett
Mr Mark Bedford
Professor Peter Fricker
Ms Gayle Ginnane
Mr John Jackson
Professor Emeritus Lloyd Sansom, AO
Professor Nick Shaw

Dr Ian Coombes and Ms Tricia Greenway were directors from the beginning of the financial year until their resignations on 21 May 2015.

Professor Iqbal Ramzan and Ms Monica Schlesinger were appointed as directors on 22 May 2015. These directors continue in office at the date of this report.

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

During the year the principal continuing activities of APC consisted of:

- (a) the application of assessment procedures within the Commonwealth of Australia and overseas, which may be used to determine professional competence;
- (b) the accreditation of pharmacy education providers and/or courses which may be relied upon for the registration of pharmacists;
- (c) the accreditation of continuing pharmacy education or professional development providers and/or activities that may be offered to registered pharmacists, which may be relied upon for the re-registration of pharmacists; and
- (d) co-operating with state, national and international associations, authorities and organisations in a manner consistent with the attainment of these purposes.

APC is an independent body engaged, in the public interest, in the development and assurance of education, training and assessment standards.

APC values independence and high ethical standards, honesty and transparency, accountability to clients and stakeholders, evidence-based decision making and benchmarking, high quality business processes and outcomes, continuous improvement and collaborative models of leadership.

APC is guided by a strategic plan which includes 5 key goals, these are as follows:

- (a) best practice accreditation, assessment and examination services;
- (b) capable and reliable systems and processes;
- (c) sustainable growth;
- (d) enhanced communication and reputation; and
- (e) appropriate resources in people and finances.

Dividends

No dividends are allowed under the *Corporations Act 2001* and therefore none were paid.

Operating results

The operating loss for the year amounted to \$200,639 (2014: surplus of \$4,056).

Review of operations

The year has been one of consolidation and growth of operations for the APC. Contributing to the stability and growth of the APC are the following:

- We negotiated a small increase to our annual grant from the Pharmacy Board of Australia for accreditation services.
- We negotiated a small increase in the grant for accreditation services from the Pharmacy Council of New Zealand.
- We secured business with the Chiropractic Education Council of Australasia to provide skills assessments and a registered office through our trading-as arm called Independent Assurance Solutions (IASolutions).
- We completed transition of all examinations to computer delivery, using venues in ten countries around the world.
- We implemented and completed an organisation restructure in May and June 2015 that will set up a sustainable staffing resource for future operations.
- We commenced our pilot project to credential advanced pharmacists against the Advanced Pharmacy Practice Framework.
- We made substantial progress on the implementation of Stage 1 of our Information Systems Strategic Plan (ISSP), including corporate rebranding, website, CRM, web portal and Document Management System.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of APC during the year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2015 that has significantly affected, or may significantly affect:

- (a) the APC's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the APC's state of affairs in future financial years.

Likely developments and expected results of operations

The APC expects a stabilising in operations which fall within the scope of the *Health Practitioner Regulation National Law Act 2009* and the provision of services to the Pharmacy Council of New Zealand. The outcomes of the review of the National Registration and Accreditation Scheme are expected in late 2015 and may have some impact on our operations after June 2018.

The Clearing House arm of APC expects a significant decrease in activity from 2016 onwards with the anticipated withdrawal of the Australian Dental Council, who are our main customer.

We are investigating growth strategies that leverage off our expertise for 2016 onwards. We will continue to invest in our credentialing business and in full implementation of our Information Systems Strategic Plan in 2016.

Environmental regulation

The APC's operations are regulated by the *Health Practitioner Regulation National Law Act 2009* as the assigned accreditation body for pharmacy.

Information on directors

Mr John Low, *President (until 24 May 2015).*

Qualifications
PhC, MSHP.

Mrs Debra Rowett, *PSM, Vice President (until 24 May 2015) and President (from 25 May 2015).*

Qualifications
B Pharm, MAICD.

Professor Nick Shaw, *Vice-President (from 25 May 2015).*

Qualifications
BSc(Hons), PhD, MPS, CSci, CChem, FRSC, FRPharms.

Mr Mark Bedford, *Director.*

Qualifications
DipPharm, RegPharmNZ, AFNZIM.

Dr Ian Coombes, *Director (until 21 May 2015).*

Qualifications
BPharm(Hons), MSc, PhD.

Professor Peter Fricker, *OAM, Director (from 1 July 2014).*

Qualifications
MBBS FACSP FRACP(Hons) FFSEM(UK)(Hons) GAICD.

Ms Gayle Ginnane, *Director.*

Qualifications
BA, BEcon, MDefStudies, GDSS, FAICD, MAIM, MIPAA.

Mr John Jackson, *Director.*

Qualifications
B Pharm, Grad Dip Hos Pharm, MPH, FSHP, MPS, MAICD.

Professor Emeritus Lloyd Sansom, *AO, Director.*

Qualifications
PhC, BSc.PhD(Adel), FPS, Hon.DHlth(N'cle), Hon.DSc(Qld), Hon.DUniv(Griff), Hon.DSc(Syd).

Ms Monica Schlesinger, *Director (from 22 May 2015).*

Qualifications
MEng Electronics & Communications, FAICD.

Professor Iqbal Ramzan, *Director (from 22 May 2015).*

Qualifications
DipPharm, MSc, PhD.

Ms Tricia Greenway, *Director (until 21 May 2015).*

Qualifications
BA, TPTC.

Company secretary

Bronwyn Clark was appointed as Company Secretary on 20 November 2012 and continues at the date of this report.

Meetings of directors

The numbers of meetings of the APC's board of directors and of each board committee held during the year ended 30 June 2015, and the numbers of meetings attended by each director were:

	Director's meetings		Finance committee	
	A	B	A	B
Mr John Low	4	4	-	-
Mrs Debra Rowett	4	4	-	-
Mr Mark Bedford	4	4	-	-
Dr Ian Coombes	3	3	-	-
Professor Peter Fricker	4	4	-	-
Ms Gayle Ginnane	4	4	4	4
Ms Tricia Greenway	3	3	-	-
Mr John Jackson	4	4	3	4
Ms Lenette Mullen	4	4	-	-
Professor Iqbal Ramzan	1	1	-	-
Professor Emeritus Lloyd Sansom, AO	2	4	-	-
Ms Monica Schlesinger	1	1	-	-
Professor Nick Shaw	3	4	-	-

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

Insurance of officers

During the financial year, APC paid a premium of \$27,079 for business insurance. This policy includes amounts incurred to indemnify the directors and officers of the entity.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the APC, or to intervene in any proceedings to which the APC is a party, for the purpose of taking responsibility on behalf of the APC for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the APC with leave of the Court under section 237 of the *Corporations Act 2001*.

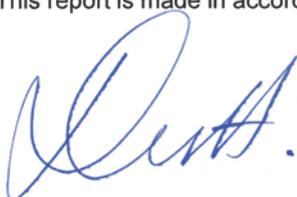
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors.



Mrs Debra Rowett
Director



Ms Gayle Ginnane
Director

Canberra
7 September 2015



Auditor's Independence Declaration

As lead auditor for the audit of Australian Pharmacy Council for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'David Murphy', is written over a light grey signature line.

David Murphy
Partner
PricewaterhouseCoopers

Canberra
9 September 2015

PricewaterhouseCoopers, ABN 52 780 433 757
28 Sydney Avenue, FORREST ACT 2603, GPO Box 447, CANBERRA CITY ACT 2601
T: + 61 2 6271 3000, F: + 61 2 6271 3999, www.pwc.com.au

Australian Pharmacy Council Limited
Statement of comprehensive income
For the year ended 30 June 2015

	Notes	2015 \$	2014 \$
Revenue from continuing operations			
Services	2	4,120,775	3,313,814
Other revenue		87,301	147,343
		<u>4,208,076</u>	<u>3,461,157</u>
Employee benefits expense		(2,032,855)	(1,680,937)
Depreciation and amortisation expense		(180,089)	(73,120)
Consultants expense		(118,578)	(33,704)
Examination and accreditation expense		(911,223)	(768,289)
Board/Committee members expense		(306,925)	(353,529)
Occupancy expenses		(135,219)	(144,143)
Other expenses		(322,908)	(403,379)
Advanced practice credentialing pilot expenses		(212,377)	-
Projects expense		<u>(188,541)</u>	<u>-</u>
(Loss)/surplus		<u>(200,639)</u>	<u>4,056</u>
(Loss)/surplus for the year	3	<u>(200,639)</u>	<u>4,056</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Other comprehensive (loss)/income for the year		<u>(200,639)</u>	<u>4,056</u>
Total comprehensive (loss)/income for the year is attributable to:			
Members of Australian Pharmacy Council		<u>(200,639)</u>	<u>4,056</u>
		<u>(200,639)</u>	<u>4,056</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Australian Pharmacy Council Limited
Statement of financial position
As at 30 June 2015

	Notes	2015 \$	2014 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	2,702,485	3,970,992
Trade and other receivables	5	387,422	90,331
Other assets	6	56,584	34,423
Total current assets		<u>3,146,491</u>	<u>4,095,746</u>
Non-current assets			
Property, plant and equipment	7	159,959	160,347
Intangible assets	8	958,622	118,165
Total non-current assets		<u>1,118,581</u>	<u>278,512</u>
Total assets		<u>4,265,072</u>	<u>4,374,258</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	370,877	181,034
Other current liabilities	10	258,119	360,547
Total current liabilities		<u>628,996</u>	<u>541,581</u>
Non-current liabilities			
Provisions	11	10,056	6,018
Total non-current liabilities		<u>10,056</u>	<u>6,018</u>
Total liabilities		<u>639,052</u>	<u>547,599</u>
Net assets		<u>3,626,020</u>	<u>3,826,659</u>
EQUITY			
Retained earnings		<u>3,626,020</u>	<u>3,826,659</u>
Total equity		<u>3,626,020</u>	<u>3,826,659</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

Australian Pharmacy Council Limited
Statement of changes in equity
For the year ended 30 June 2015

	Retained earnings \$	Total equity \$
Balance at 1 July 2013	<u>3,822,603</u>	<u>3,822,603</u>
Surplus for the year	4,056	4,056
Total comprehensive income for the year	<u>4,056</u>	<u>4,056</u>
Balance at 30 June 2014	<u>3,826,659</u>	<u>3,826,659</u>
Balance at 1 July 2014	<u>3,826,659</u>	<u>3,826,659</u>
(Loss) for the year	(200,639)	(200,639)
Total comprehensive income for the year	<u>(200,639)</u>	<u>(200,639)</u>
Balance at 30 June 2015	<u>3,626,020</u>	<u>3,626,020</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Australian Pharmacy Council Limited
Statement of cash flows
For the year ended 30 June 2015

	Notes	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from customers and members (inclusive of goods and services tax)		3,900,331	3,516,198
Payments to suppliers and employees (inclusive of goods and services tax)		<u>(4,279,754)</u>	<u>(3,484,101)</u>
Interest received		131,074	147,343
Net cash (outflow) inflow from operating activities		<u>(248,349)</u>	<u>179,440</u>
Cash flows from investing activities			
Payments for plant and equipment	7	(52,618)	(159,231)
Payments for intangible assets	8	<u>(967,540)</u>	<u>(29,250)</u>
Net cash (outflow) from investing activities		<u>(1,020,158)</u>	<u>(188,481)</u>
Cash flows from financing activities			
Net cash inflow from financing activities		<u>-</u>	<u>-</u>
Net (decrease) in cash and cash equivalents		(1,268,507)	(9,041)
Cash and cash equivalents at the beginning of the financial year		<u>3,970,992</u>	<u>3,980,033</u>
Cash and cash equivalents at end of year	4	<u>2,702,485</u>	<u>3,970,992</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

1 Summary of significant accounting policies

This note provides a list of all significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Australian Pharmacy Council Limited is a not-for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with Australian Accounting Standards - Reduced Disclosure Requirements

The financial statements of APC comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

(ii) New and amended standards adopted by the entity

The company has applied the following standards and amendments for first time in their annual reporting period commencing 1 July 2014:

- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2013-4 Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting
- Interpretation 21 Accounting for Levies
- AASB 2014-1 Amendments to Australian Accounting Standards

The adoption of these standards do not have a significant impact on the financial statements.

(iii) New and amended standards not yet adopted by the entity

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting periods and have not been early adopted by APC. APC's assessment of the impact of these new standards and interpretations is set out below:

- AASB 9 Financial Instruments and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9.

When adopted, the standard will affect the company's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments will therefore have to be recognised directly in profit or loss.

The company is expected to adopt AASB 9 and AASB 2010-7 for the annual reporting period ending 30 June 2018. The directors anticipate that the adoption of AASB 9 and AASB 2010-7 will not have an impact in the company's financial instruments.

- AASB 15 Revenue from Contracts with Customers (effective 1 January 2018)

The company is expected to adopt AASB 15 for the annual reporting period ending 30 June 2018. The company has not yet assessed the impact of AASB 15 and therefore it is impracticable at this stage to provide a reasonable estimation of the impact.

1 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(iv) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified, where applicable, by financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

APC recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of APC's activities as described below.

Revenue is recognised for the major business activities as follows:

(i) Provision of services

Revenue from provision of services is recognised upon delivery of services to customers.

(ii) Grant revenue

Grant revenue is recognised in the statement of comprehensive income when APC obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to APC and the amount of the grant can be measured reliably.

When grant revenue is received whereby APC incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

(iii) Interest revenue

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

(c) Income tax

No provision for income tax has been raised as APC is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(d) Leases

Leases of property, plant and equipment where the APC, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the APC will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the APC as lessee are classified as operating leases (note 13). Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

1 Summary of significant accounting policies (continued)

(e) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(f) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that APC will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(g) Investments and other financial assets

Classification

APC classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 5) and shown on the statement of financial position.

1 Summary of significant accounting policies (continued)

(g) Investments and other financial assets (continued)

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that APC's management has the positive intention and ability to hold to maturity. If APC were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date - the date on which APC commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and APC has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

Measurement

At initial recognition, APC measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when APC's right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Details on how the fair value of financial instruments is determined are disclosed in note .

Impairment

APC assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, APC may measure impairment on the basis of an instrument's fair value using an observable market price.

1 Summary of significant accounting policies (continued)

(g) Investments and other financial assets (continued)

(i) Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

(h) Property, plant and equipment

Each class of plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by APC to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the APC and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

The depreciable amount of all fixed assets are depreciated on a straight line basis over the asset's useful life to APC commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Computer equipment	33%
Office equipment	20 - 33%
Office furniture and fittings	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is APC policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

(i) Intangible assets

(i) IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over periods generally ranging from 3 to 5 years.

1 Summary of significant accounting policies (continued)

(i) Intangible assets (continued)

(i) *IT development and software (continued)*

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where APC has an intention and ability to use the asset.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to APC prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(k) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when APC has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(l) Employee benefits

(i) *Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) *Other long-term employee benefit obligations*

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

1 Summary of significant accounting policies (continued)

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

2 Revenue

	2015 \$	2014 \$
From continuing operations		
<i>Revenue from ordinary activities</i>		
Accreditation fees	557,748	511,053
Assessment fees	221,350	210,358
Examination fees	267,871	385,269
Written exam	1,329,176	1,274,964
Clearing house	1,355,514	596,500
Pharmacy Board of Australia	330,000	300,000
Pharmacy Council of New Zealand	35,000	30,000
Other income from ordinary activities	24,116	5,670
	<u>4,120,775</u>	<u>3,313,814</u>
<i>Other revenue</i>		
Interest received	87,301	147,343
	<u>87,301</u>	<u>147,343</u>
Total revenue	<u>4,208,076</u>	<u>3,461,157</u>

Australian Pharmacy Council Limited
Notes to the financial statements
30 June 2015
(continued)

3 Expenses

	2015 \$	2014 \$
The surplus includes the following specific expenses:		
Depreciation	53,005	48,597
Amortisation	127,084	24,523
Total depreciation and amortisation	<u>180,089</u>	<u>73,120</u>
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	103,721	99,732
Total rental expense	<u>103,721</u>	<u>99,732</u>

4 Current assets - Cash and cash equivalents

	2015 \$	2014 \$
Cash at bank	1,136,691	781,498
Short-term deposits	1,565,335	3,189,313
Cash on hand	459	181
	<u>2,702,485</u>	<u>3,970,992</u>

5 Current assets - Trade and other receivables

	2015 \$	2014 \$
Trade receivables	333,109	14,200
GST receivable	33,187	11,232
Accrued interest	21,126	64,899
	<u>387,422</u>	<u>90,331</u>

6 Current assets - Other assets

	2015 \$	2014 \$
Prepayments	56,584	34,423
	<u>56,584</u>	<u>34,423</u>

7 Non-current assets - Property, plant and equipment

	Computer equipment \$	Office equipment \$	Office furniture and fittings \$	Total \$
At 30 June 2014				
Cost or fair value	148,428	18,881	95,079	262,388
Accumulated depreciation	(66,430)	(14,349)	(21,262)	(102,041)
Net book amount	<u>81,998</u>	<u>4,532</u>	<u>73,817</u>	<u>160,347</u>
Year ended 30 June 2015				
Opening net book amount	81,998	4,532	73,817	160,347
Additions	17,736	497	34,385	52,618
Depreciation charge	(35,851)	(2,126)	(15,029)	(53,006)
Closing net book amount	<u>63,883</u>	<u>2,903</u>	<u>93,173</u>	<u>159,959</u>
At 30 June 2015				
Cost	166,164	19,378	129,464	315,006
Accumulated depreciation	(102,281)	(16,475)	(36,291)	(155,047)
Net book amount	<u>63,883</u>	<u>2,903</u>	<u>93,173</u>	<u>159,959</u>

Australian Pharmacy Council Limited
Notes to the financial statements
30 June 2015
(continued)

8 Non-current assets - Intangible assets

	Software \$	ISSP \$	Infrastructure costs \$	Total \$
At 30 June 2014				
Cost	142,688	-	-	142,688
Accumulation amortisation	(24,523)	-	-	(24,523)
Net book amount	<u>118,165</u>	<u>-</u>	<u>-</u>	<u>118,165</u>
Year ended 30 June 2015				
Opening net book amount	118,165	-	-	118,165
Additions - internal development	-	896,928	70,612	967,540
Amortisation charge	(28,537)	(92,662)	(5,884)	(127,083)
Closing net book amount	<u>89,628</u>	<u>804,266</u>	<u>64,728</u>	<u>958,622</u>
At 30 June 2015				
Cost	142,688	896,928	70,612	1,110,228
Accumulated amortisation	(53,060)	(92,662)	(5,884)	(151,606)
Net book amount	<u>89,628</u>	<u>804,266</u>	<u>64,728</u>	<u>958,622</u>

9 Current liabilities - Trade and other payables

	2015 \$	2014 \$
Trade payables	254,872	74,665
Accrued expenses	16,229	15,610
Accrued payroll	27,293	15,860
PAYG payable	-	31,739
Employee leave entitlements	72,483	43,160
	<u>370,877</u>	<u>181,034</u>

10 Current liabilities - Other current liabilities

	2015 \$	2014 \$
Exam fees in advance	37,120	146,300
Accreditation fees in advance	220,999	214,247
	<u>258,119</u>	<u>360,547</u>

11 Non-current liabilities - Provisions

	2015 \$	2014 \$
Employee benefits - long service leave	<u>10,056</u>	<u>6,018</u>
	<u>10,056</u>	<u>6,018</u>

12 Remuneration of auditors

(a) PricewaterhouseCoopers

	2015 \$	2014 \$
Audit and review of financial statements	11,249	10,816
Other PwC services	4,900	4,700
Total remuneration for audit and other PwC services	<u>16,149</u>	<u>15,516</u>

13 Commitments

(a) Capital commitments

Significant capital expenditure budgeted for at the end of the reporting period but not recognised as liabilities is as follows:

	2015 \$	2014 \$
IT infrastructure upgrade (within one year)	143,000	349,500
IT infrastructure upgrade (later than one year but not later than five years) re-development	-	- Website
	<u>143,000</u>	<u>349,500</u>

(b) Lease commitments

(i) Non-cancellable operating leases

	2015 \$	2014 \$
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	103,721	99,732
Later than one year but not later than five years	<u>220,055</u>	<u>323,777</u>
	<u>323,776</u>	<u>423,509</u>

Australian Pharmacy Council Limited
Notes to the financial statements
30 June 2015
(continued)

14 Related party transactions

(a) Key management personnel compensation

	2015 \$	2014 \$
Short-term employee benefits	773,143	564,031
Post-employment benefits	73,564	51,800
	<u>846,707</u>	<u>615,831</u>

(b) Transactions with other related parties

During the year ended 30 June 2015, the councillors were paid a sitting fee and travel expenses in relation to their attendance at meetings, conferences, participation in site audits and item writing.

	30 June 2015 \$	30 June 2014 \$
<i>Related party payments to individuals</i>		
Ian Coombes	10,000	2,300
Mark Bedford	10,118	7,254
Lloyd Sansom AO	9,508	5,420
Nick Shaw	-	6,296
Lenette Mullen	-	5,330
John Jackson	5,934	6,648
John Low	36,138	32,788
Debra Rowett	8,826	14,073
Patricia Greenway	-	4,990
Gayle Ginnane	5,271	6,140
Peter Fricker	5,790	-
Iqbal Ramzan	4,753	-
Monica Schlesinger	2,391	-
Total payments to individuals	<u>98,729</u>	<u>91,239</u>
Total related party transactions paid	<u>98,729</u>	<u>91,239</u>

There are 10 councillors at any one time on the APC Council (Board).

15 Members' guarantee

APC is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If APC is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstandings and obligations of APC. At 30 June 2015 the number of members was 33 (2014: 32).

**Australian Pharmacy Council Limited
Directors' declaration
30 June 2015**

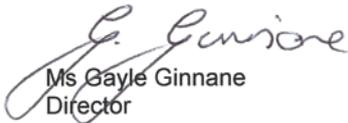
In the directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 24 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the entity's financial position as at 30 June 2015 and of its performance for the year ended on that date, and
- (b) there are reasonable grounds to believe that the APC will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.



Mrs Debra Rowett
Director



Ms Gayle Ginnane
Director

Canberra
7 September 2015



Independent auditor's report to the members of Australian Pharmacy Council Limited

Report on the financial report

We have audited the accompanying financial report of Australian Pharmacy Council Limited (the company), which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion, the financial report of Australian Pharmacy Council Limited is in accordance with the *Corporations Act 2001*, including:

PricewaterhouseCoopers, ABN 52 780 433 757
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T: + 61 2 6271 3000, F: + 61 2 6271 3999, www.pwc.com.au

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- (a) giving a true and fair view of the company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'David Murphy'.

David Murphy
Partner

Canberra
9 September 2015

Appendix 1

COUNCIL

JOHN LOW

(President until May 2015)
PHC, CERTIV AWT, MSHP

DEBRA ROWETT, PSM – President

(Vice President until May 2015)
BPharm, CGP, MAICD

PROFESSOR NICK SHAW

(Vice President from May 2015)
BSc(Hons), PhD, MPS, CSci,
CChem, FRSC, FRPharmS

JOHN JACKSON

BPharm, GradDipHospPharm,
MPubHealth, FSHP, MPS

MARK BEDFORD

DipPharm, RegPharmNZ, AFNZIM

DR IAN COOMBES

(until May 2015)
BPharm(Hons), MSc, PhD

GAYLE GINNANE

BA, BEcon, MDefStudies,
GradDipStratStud, FAICD, MIPAA

TRICIA GREENWAY

(until May 2015)
BA, TPTC

EMERITUS PROFESSOR

LLOYD SANSOM, AO

Dip Pharm, BSc, PhD(Adel), HonDSc
(Syd), HonDSc(Qld), HonDHealth
(N'Cle), HonDUniv (Griff), FPS

PROFESSOR PETER

FRICKER, OAM

MBBS, FACSP, FRACP (Hon),
FFSEM (UK) (Hon), GAICD

PROFESSOR IQBAL RAMZAN

(from May 2015)
Dip Pharm (NZ), MSc, PhD (Syd)

MONICA SCHLESINGER

(from May 2015)
MEng Equiv, BEng, FAICD, PMP.

EXAMINING COMMITTEE

NAME	CATEGORY
Professor Emeritus Lloyd Sansom, AO	Chair Pharmacist member
Associate Professor Kay Stewart	Deputy Chair Academic member
Professor Jo-anne Brien Barbara Moore	Academic member Pharmacy Council of New Zealand nominee
Sue Scott	Pharmaceutical Society of Australia nominee
Karen Kaye	Society of Hospital Pharmacist of Australia nominee
Dianne Wilkins	Community member
Dr Betty Chaar	Skills Assessment Consumer member
Dr Mark Rowe	Community member
Associate Professor Treasure McGuire	Academic member
Teresa Di Franco	Early Career Pharmacist member
Yelitte Ho	Early Career Pharmacist member
Professor Curtis Lee	Psychometrician member

ACCREDITATION COMMITTEE

NAME	CATEGORY
Debra Rowett, PSM	Chair
Professor Iqbal Ramzan	Council of Pharmacy Schools (Australia and New Zealand) nominee
Professor Rhonda Clifford	Academic member
Associate Professor Rohan Rasiah	Academic member
Professor Peter Stewart	Academic member
Dr Erica Sainsbury	Academic member
Sue Kirska	Society of Hospital Pharmacists of Australia nominee
Professor Beverley Glass	Council of Pharmacy Schools (Australia and New Zealand) nominee
Judith Dikstein	Community member
Associate Professor Charles Mitchell	Community member
Xavier Agostino	National Australian Pharmacy Students' Association nominee
Ben Marchant	Pharmaceutical Society of Australia nominee
Natalie Smith	The Pharmacy Guild of Australia nominee
Jane Moginie	Pharmacy Council of New Zealand nominee
Barbara Moore	Pharmacy Council of New Zealand nominee

ADVANCED PRACTICE CREDENTIALING COMMITTEE

NAME OF COMPANY/INDIVIDUAL	CATEGORY
Dr Ian Coombes	Chair and pharmacist member
Debbie Rigby	Pharmacist member
Kirstie Galbraith	Pharmacist member
Dr Lisa Nissen	Pharmacist member
Dr Shane Jackson	Pharmacist member
Associate Professor Charles Mitchell	Other health profession member
Helen Jay	Community member
Dr Catherine Duggan	International pharmacist with relevant expertise and experience in advanced practice credentialing

FINANCE, AUDIT AND RISK MONITORING COMMITTEE

NAME	CATEGORY
Gayle Ginnane	Chair and Councillor
John Jackson	Councillor
Ros Jackson	Independent

APC TEAM

NAME	POSITION
Executive	
Bronwyn Clark	Chief Executive Officer
Alison White	Executive Assistant / Communications Officer
Accreditation	
Rachel Adkins	Director Accreditation
Leeza Silverman	Assistant Director Accreditation (until November 2014)
Claire Bekema	Assistant Director Accreditation (commenced April 2015)
Kushani Sriwardene	Accreditation Pharmacist
Beccy Watson	Accreditation Officer
Corporate Support	
Melanie Copper	Director Corporate Services
Jerri Grove	Finance Officer
Nicole Smith	Office and Project Administration Coordinator
Kristina Carroll	Director Information Services
Credentialing	
Andrew Matthews	Director Credentialing (commenced November 2014)
Marianne Lo	Credentialing Administrator (commenced February 2015)
Evaluation Services	
Nathan Ford	Director Strategy, Risk and Evaluation Services
Sophia Schwerdtfeger	Manager Examinations
Kay Simson	Examinations Officer
Kamal Kant	Manager Assessments and Clearing House
Rita Younes	Assessments Officer
Peter Halstead	Senior Pharmacist
Amira El-Husseini	Examinations and Assessment Administration Officer

