



2014 Annual Report

South African Pharmacy Council







**The South African
Pharmacy Council**

Annual Report

Minister of Health

In terms of the Pharmacy Act, 53 of 1974, it is a pleasure to submit the Annual Report on the activities of the South African Pharmacy Council for the period 1 January 2014 to 31 December 2014.

**PROF M CHETTY
PRESIDENT**

**TA MASANGO
REGISTRAR/CEO**



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Vision

Sustainable quality pharmaceutical services for all

Mission Statement

We exist to:

- protect the public by improving health outcomes
- assist in promoting access to sustainable quality pharmacy services by embracing the use of innovation and technology
- ensure quality pharmaceutical services by developing, enhancing and upholding universally acceptable education and practice standards through stakeholder engagement
- promote the dignity of the profession through professional ethics and conduct, and ongoing competence

Core Values

- People first – we care, we serve, we collaborate, we belong to the community
- Integrity – we will be ethical, transparent and honest in conducting our business
- Accountability – we are responsible and answerable for our actions
- Professionalism – we will develop our staff to perform their work with expertise, dedication, care and act in a competent and excellent manner at all times



President's Message

The new Council members for the period 2014–2018 assumed their seats at an inaugural meeting in February 2014 with an eagerness to serve the pharmacy profession. The vision Council adopted at this meeting is *Sustainable quality pharmaceutical services for all*. Councillors are committed to identifying and promoting key activities that deliver on this vision, in accordance with universally acceptable standards. This vision also lends support to the impending new national universal health coverage system.

At its third meeting in July 2014, Council adopted a strategic plan which encompasses the following 10 major objectives:

1. Assist in the promotion of health of the population of the Republic of South Africa.
2. Advise the Minister of Health or any other person on any matter relating to pharmacy.
3. Promote the provision of pharmaceutical care which complies with universal norms and values, in both the public and the private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of a patient.
4. Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sectors.
5. Establish, develop, maintain and control universally acceptable standards:
 - in pharmaceutical education and training
 - for the registration of a person
 - of the practice
 - of professional conduct required of persons to be registered in terms of the Pharmacy Act, 53 of 1974, as amended
 - of control over persons registered in terms of this Act by investigating in accordance with this Act, complaints or accusations relating to the conduct of registered persons.
6. Promote transparency to the profession and the general public (corporate governance).
7. Maintain and enhance the dignity of the pharmacy profession.
8. Coordinate the activities of Council and its committees.
9. Improve internal efficiency and effectiveness.
10. Build a pipeline of highly skilled workers to meet Council's mandate.

In 2014, Council made considerable progress on some of these objectives while greater focus will be given to other objectives in the coming years. A description of the progress on each of these objectives is given later in this report. A few highlights from Council's activities are described below.

Council's first major concern was the significantly high increase in the new fees that had been approved for 2014. Following prompt action by EXCO, the fee structure was revised, especially with respect to those relating to education and training. Future fee adjustments will consider inflation rates.

Council is committed to improving the education and training of pharmacists and pharmacy support staff to enable an effective delivery of pharmaceutical care and services in our



*Prof Mano Chetty
President*

country. Several discussions have focused on approaches to achieve this goal. The earlier proposal to introduce the pharmacy technician, a mid-level worker who is more skilled than the current pharmacy support personnel and can free up the time of the pharmacists so they are able contribute more effectively to pharmaceutical care, is being implemented. Additionally, in the absence of adequate numbers of pharmacists in the country, the pharmacy technician will be able to play an important role in the new national healthcare system.

Preparations for the introduction of specialist qualifications for pharmacists are progressing well and these training courses will improve pharmacy services in the country. The initiative on increasing the number of pharmacy personnel in the country is ongoing and will receive further attention in the new year.

After attending the Deans Forum at the conference of the Federation of International Pharmacists (FIP) in September 2014, it became evident that the standards of education and training promoted by the SAPC are similar to those practised globally and probably amongst the leading countries with respect to aspects such as good pharmacy practice. Specialisation in pharmacy is also a subject that is being introduced in many other countries.

Provision of an effective service to the pharmacy profession is a primary objective of Council and the Office of The Registrar. Several measures such as streamlined customer care processes, online services for applications and fee payments, commitment to shorter processing times and more efficient systems to monitor deficiencies and customer satisfaction have been implemented. However, Council is aware that this area requires to be monitored more closely to ensure greater customer satisfaction. Following feedback from interns, trainers and academic institutions, various new processes have been introduced to improve interactions with the Council. A greater interaction between Council and professional bodies is being supported and encouraged to identify areas for service improvement.

The *e-Pharmaciae* was successfully launched in 2014. This aligns Council with global trends in going digital and saving the trees. A significant cost saving on printing and postage has resulted and it is hoped that the readership will also improve.

The Minister of Health's measures to promote communication between the statutory health councils and the National Department of Health (NDoH) have been very informative and useful. Meetings of the Forum of Statutory Health Professional Councils encourage interaction between the statutory councils which can be helpful when solving issues of mutual interest. Such a forum is also helpful when benchmarking and tracking the progress of the different councils with respect to key functions. This comparison has illustrated that the SAPC has no major concerns since it has advanced in most areas. The Office of the Registrar also offers support and assistance to other councils as requested.

The contribution of the SAPC's NDoH Councillor, who actively assists with new and outstanding issues between SAPC and the NDoH, has been effective and appreciated. Council hopes that many of the long outstanding issues such as the regulations pertaining to continuing professional development (CPD), primary care drug therapy (PCDT) and the mid-level worker will be resolved in 2015.

With the call for improved delivery of pharmaceutical services (especially for chronic medicines) by the Minister of Health, new methods of delivery, that are outside the normal scope of pharmacy practice, have been proposed by provincial health pharmaceutical services in 2014. The challenge for Council in 2015 will be to review these proposed methods and identify those that are acceptable and those that may compromise patient safety or medicine quality. A special task team has been established to evaluate these alternate delivery methods.

Council made a decision to hold the 2nd National Pharmacy Conference in Durban in October 2016, and preparations will commence in 2015. It is hoped that the conference will be well supported by the profession and that it will be as successful as the first one.

In general, the first year of the 'new' Council has been productive. Council's operational activities depend on the team in the Office of the Registrar. On behalf of the Councillors, I would like to thank the team for the support given to Council during 2014.

Registrar's Message



Amos Masango
Registrar/CEO

We are pleased to present the 2014 Annual Report to our stakeholders and members of the pharmacy profession. We are also grateful to the previous Council for leaving the solid foundation upon which the new Council is leveraging and was able to draft its strategic plans for the next four years. This is the first report presented during the new Council's term of office 2014 to 2018.

The year 2014 ushered in an almost completely new Council, bringing to the table a fresh wealth of knowledge and experience from various sectors of pharmacy. Even though the start was somewhat slow, characterised by new members familiarising themselves with the issues in the pharmacy profession, the new Council started off on a good footing by firstly drafting the strategic plans to guide their way, and that of the profession, into the future of the next five years.

Councillors were introduced to their new roles through an orientation programme that covered issues of corporate governance, the workings of the office, and developing strategic plans before convening for their first inaugural meeting. Council was guided on the establishment of the various committees which enable it to function and make resolutions. These committees, together with office bearers in terms of the Pharmacy Act and relevant regulations, were appointed at the first Council meeting.

The South African Pharmacy Council is committed to an exemplary standard of business ethics and transparency in all its dealings with stakeholders, and both Council members and employees are bound by a code of conduct. Conflict of interest is avoided during Council meetings, and gifts

received, if accepted, are declared in line with good corporate governance.

Council is assisted in its oversight responsibility by the Audit Committee, which serves as an independent and objective party to monitor and strengthen the objectivity and credibility of financial reporting processes and internal control systems. Throughout 2014, the Audit Committee continued its oversight responsibility and served as a channel of communication between the external auditors, the outsourced internal audit and management.

Some performance highlights of 2014, to mention a few as most of them are included in this report, included: maintenance of and renovations to the Council building; the enhancement of our corporate communication through the implementation of a self-help functionality in customer care; the improved website, which, according to the opinion poll rated 72% user satisfaction; and the introduction of the online application and payment functionality to ease the burden of time consuming processes.

Council finalised and published for comment the minimum standards for, among others, the *Collection and delivery of medicines to patients from a community or institutional pharmacy*, and for implementation the *Procurement, storage and distribution of thermolabile pharmaceutical products*. Many pharmacies have so far been inspected and graded as A, B, C or D, and this system is successfully ensuring a sustained level of compliance with standards of good pharmacy practice within the profession.

The Minister of Health has yet to publish for implementation the Continuing Professional Development (CPD) regulations that were published for comment way back in 2011. The online system of CPD, however, progressively continues to be used by both pharmacists and interns, although it is not mandatory in terms of the regulations.

During 2014, the Office of the Registrar continued holding sessions with first and fourth year Bachelor of Pharmacy (BPharm) students, sharing important information pertaining to their studies. Facilitated tutor/intern and preregistration examination workshops, preregistration evaluations and professional examinations were also held.

In addition, the Office of the Registrar arranged meetings with providers of the BPharm qualification and further education and training (FET) institutions to discuss issues in higher and further education and training respectively. Council continued to ensure that standards in education and training were upheld by conducting monitoring/accreditation visits to some of the institutions. The *Good Pharmacy Education Standards* were drafted and published for comment, and the finalisation thereof is expected in 2015.

The year 2015 will focus on advancing some of the unfinished projects of 2014 and, of course, furthering some of the new projects outlined in the Strategic Plan 2014–2018.

We take this opportunity to extend our heartfelt thank you to both our staff, management and Council members for rising to the challenge to improve pharmaceutical services in this country.

We particularly thank the President, Prof Mano Chetty, for her guidance, support and leadership during the year under review.

Council – Role and Responsibilities

The South African Pharmacy Council (SAPC) is an independent statutory body established in terms of the Pharmacy Act, 1974 (Act No. 53 of 1974, as amended) to regulate the pharmacy profession. The SAPC is vested with statutory powers of peer review and embraces as its objectives those outlined in the Pharmacy Act.

The SAPC (hereinafter referred to as Council) is responsible for its own funding and endorses the principles contained in the King III Report on Corporate Governance for South Africa. The principles form part of the councillors' responsibilities and are embedded in the Charter for Councillors. Councillors are required to familiarise themselves with both the objectives of the SAPC as outlined in the Pharmacy Act and the responsibilities in the Charter for Councillors.

Council is representative and consists of 25 members of which 16 are appointed by the Minister of Health and nine elected by pharmacists.

Council Members

The president presides over Council meetings and is supported by the vice president and the treasurer, both elected from members of Council by majority vote for a period of five years. The registrar is the secretary for Council. The councillors elected for the term 2014 to 2018 are:

| | |
|-----------------------------|-----------------------------------------------------|
| Prof Manoranjenni Chetty | President |
| Douglas James Heaslet Defty | Vice President |
| Nocawe Portia Thipa | Treasurer |
| Vusi Cornelias Dlamini | Chairperson Health Committee |
| Rajhtheran Moodley | Chairperson Committee of Informal Inquiries |
| Hezron Tshupo Mphaka | Chairperson Practice Committee |
| Dr Panjasaram Naidoo | Chairperson CPD Committee |
| Lizette Roets | Chairperson Committee of Preliminary Investigation |
| Prof Roderick Bryan Walker | Chairperson Education Committee |
| Gavin Stewart Steel | Representative of the National Department of Health |
| Prof Shirley-Anne Boschmans | |
| Charles John Cawood | |
| Johannes Stephanus Du Toit | |

| |
|------------------------------------------|
| Panajiotaki George Kyriacos |
| Jacqueline Ann Maimin |
| Johannes Albertus Raats |
| Matthys Jacobus Snyman |
| Ayanda Soka |
| Gaoboihe Jonas Kgasane |
| Tshuba Solomon Rasekele |
| Letty Mahlangu |
| Helen Catherine Hayes |
| Rachel Verity Wrigglesworth |
| Sphiwe Dorris Mayinga (until March 2014) |
| Claudette Norina Jasson |

Governance Structure

The Council is the custodian of the management and control of the profession and its meetings are public. Management and various committees support Council in carrying out its mandate.

Councillors elected for the term 2014 to 2018



Front row: Rajhtheran Moodley, Matthys Jacobus Snyman, Jacqueline Ann Maimin, Gaobohe Jonas Kgasane, Vusi Cornelias Dlamini, Tshuba Solomon Rasekele

Middle row: Prof Roderick Bryan Walker, Hezron Tshepo Mphaka, Nocawe Portia Thipa (Treasurer), Prof Manoranjenni Chetty (President), Douglas James Heaslet Defty (Vice President), Amos Masango (Registrar/CEO), Dr Panjasaram Naidoo

Back row: Helen Catherine Hayes, Claudette Norina Jasson, Rachel Verity Wrigglesworth, Gavin Stewart Steel, Panajiotaki George Kyriacos, Johannes Albertus Raats, Johannes Stephanus Du Toit, Lizette Roets, Prof Shirley-Anne Boschmans, Letty Mahlangu

Absent: Ayanda Soka, Charles John Cawood, Sphiwe Dorris Mayinga (until March 2014)

- the professional conduct required of persons to be registered in terms of the Act
- the control of persons registered in terms of the Act by investigating in accordance with the Act complaints or accusations relating to the conduct of registered persons.

- Promote transparency to the profession and the general public in achieving its objectives, performing its functions, and executing its powers.
- Maintain and enhance the dignity of the pharmacy profession and the integrity of persons practising the profession.
- To coordinate the activities of Council and its committees, give guidance to the Office of the Registrar, and provide oversight on risk management and financial controls.
- To improve internal efficiency and effectiveness through improved customer care relations and service delivery, and investigation of alternative sources of funds.
- To build a pipeline of highly skilled workers to meet the Council's mandate through training, implementation of performance management and retention of key personnel.

OBJECTIVES AND FUNCTIONS OF COUNCIL

In terms of the Pharmacy Act, 53 of 1974, Council has the following objectives:

- Assist in the promotion of the health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Promote the provision of pharmaceutical care which complies with universal norms and values, in both the public and private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of a patient.
- Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sectors.
- Establish, develop, maintain and control universally acceptable standards for:
 - pharmaceutical education and training
 - the registration of a person who provides one or more or all of the services which form part of the scope of practice of the category in which such person is registered
 - the practice of the various categories of persons required to be registered in terms of the Act

Corporate Services



Vincent Tlala
Chief Operating Officer

Strategic focus area

The activities of the Corporate Service Department focus on five of Council's strategic objectives:

- Assist in the promotion of health of the population of the republic.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- To provide managerial and administrative support to the Office of the Registrar.
- Coordinate the activities of Council by appointing committees.
- Promote transparency to the profession and the general public.

Council Meetings

2014 saw the inauguration of the new Council through a facilitated orientation workshop by the Office of the Registrar, the inaugural meeting of the Council and three other Council meetings

under the chairpersonship of the President, Prof Manoranjenni Chetty.

Executive Committee

The Office of the Registrar facilitated three sittings and two teleconference meetings under the chairpersonship of the President, Prof Manoranjenni Chetty.

Board Notices

The Office of the Registrar published six Board Notices during the year under review:

- the reduction of certain fees for 2014
- fees payable to Council in 2015
- amendments and new minimum standards for inclusion in the *Rules pertaining to good pharmacy practice* (GPP)
- GPP amendments and new standards for comment
- qualifications and scopes of practice for specialist pharmacists for comment
- the proposed *Good Pharmacy Education Standards* for comment.

Litigation

In 2012, Medirite (Pty) Ltd applied to the North Gauteng High Court, seeking an order to set aside Board Notice 35, published on 2 March 2012, establishing the minimum requirements for the premises of a pharmacy situated within another business. On 20 December 2013, the North Gauteng High Court delivered judgment in the matter in favour of the Council, thus stating that the application for review was dismissed with costs. In February 2014, Medirite filed an application for leave to appeal the North Gauteng High Court judgment, which leave to appeal was granted, and the matter referred to the Supreme Court of Appeal. The Legal Services & Professional Conduct Department provided information and support to Council's attorneys and counsel herein in preparation for the appeal hearing, and await the set down of the matter for hearing in the first quarter of 2015.

Building renovations and security upgrade

In April 2014, the Executive Committee approved the appointment of ABE Contracting Services to undertake the renovations to Council's building. The work, which included the addition of a multipurpose room, a new canteen, additional ablution facilities and change rooms for staff, commenced in June and was completed in November 2014.

Strategic plan 2014–2018

The new Council's inaugural meeting took place in February 2014. The first day comprised an orientation session, which was followed by an in-depth discussion on strategic plan development. The 2014–2018 Strategic Plan was approved at the third Council meeting in July 2014.

Operational plans 2014 and 2015

The Office of the Registrar held a management 'bosberaad' on 20 and 21 November 2014 to discuss operational challenges during 2014, and to plan ahead for 2015.

National Conferences

Council attended and exhibited at some major pharmaceutical conferences during 2014 and took advantage of the opportunity to communicate and interact with many pharmacy professionals and public stakeholders.

- Dis-Chem National Congress, Arabella Resort, Kleinmond, Western Cape, 16–19

March 2014

- 28th South African Association of Hospital Institutional Pharmacists (SAAHIP) Conference, Drakensberg Champagne Sport Resort, KwaZulu-Natal, 6–9 March 2014
- Pharmaceutical Society of South Africa (PSSA) Conference, Boardwalk Convention Centre, Port Elizabeth, 8–11 May 2014
- South African Association of Pharmaceutical Industry (SAAPI) Conference, Sandton, 22–23 May 2014
- 5th South African Society of Clinical Pharmacy (SASOCP) Conference, Cape Town, 19–21 June 2014
- Independent Community Pharmacy Association (ICPA) Conference, International Convention Centre, Durban, 11–14 September 2014
- Gauteng Health Pharmaceutical Conference, 18–19 September 2014
- Pick n Pay Conference, Thaba Ya Batswana Hotel, Klipriviersberg Nature Reserve, Johannesburg, 6–7 October 2014
- 8th Annual Clicks Healthcare Conference, Emperors Palace, Johannesburg, 6–9 November 2014.

International conferences

- (a) **Lifelong Learning in Pharmacy**, Florida. The chairperson of the Continuing Professional Development (CPD) Committee, the chief operating officer and the senior manager: professional affairs attended the 10th International Conference on Lifelong Learning in Pharmacy in Florida. The theme of the conference was *The Magic of Discovery: What Lies Ahead*. The Council delegation presented two abstracts, namely the *Authorised Pharmacist Prescriber: Expanding the role of pharmacists in South Africa*, and *Creating new midlevel workers for pharmacy in South Africa*. A report on the conference was presented at the last CPD committee meeting of the year.
- (b) **FIP Congress in Bangkok**, Thailand. The president and the registrar attended the International Pharmaceutical Federation (FIP) Congress held from 30 August to 4 September 2014 in Bangkok, Thailand.

Interaction with other stakeholders

During the year under review the Office of the Registrar, under the guidance of Council, continued to interact with stakeholders at various levels. The focus of the interactions was on quality service delivery and entrenching Council’s brand message of ensuring sustainable quality pharmaceutical services for all.

The Office interacted with stakeholders on the following occasions: the inauguration of the Board of the Office of Health Standards Compliance; the National Department of Health (NDoH) [Pick up points for medication in the distribution chain, meetings on the licensing of pharmacies and pharmacy support personnel, including a meeting with the Minister

of Health]; the South African Nursing Council on clinics providing primary healthcare within community pharmacies; national and international conferences for benchmarking purposes and sharing Council policies (SAAHIP, Dis-Chem, PSSA, SAAPI, SASOCP, Lifelong Learning in Florida, FIP in Bangkok, ICPA, Gauteng Health Pharmaceutical Services, Pick n Pay and Clicks); the Council on Higher Education’s quality assurance forum for statutory professional bodies; the Ethics Alive Symposium. The right to quality healthcare at Wits University; a meeting with the Department of Higher Education and Training (DHET), the NDoH and statutory health professional councils; the Forum of Statutory Health Councils; the South African Qualifications Authority; visits to Dis-Chem sponsored schools (PH Morake and Raymond Mhlaba High Schools), a social responsibility programme in partnership with Hatfield Christian High School; the graduation ceremony of Ekurhuleni West College; the Tshwane University of Technology/Medunsa’s Oathtaking Ceremony for BPharm graduates; a meeting with the Pharmaceutical Society of South Africa (PSSA); the Management Sciences for Health (MSH) on medicines benefit management; the Minister of Health’s Budget Vote; the Government Employees Medical Scheme’s economic impact study; an ABSA seminar; SAAPI and SAPC industry collaboration; the AGM of the Marketing Code Authority; and numerous others.

The interactions were fruitful in all these instances, and Council’s standpoint on issues of legislation and policy were well supported.



Corporate Services Department

Human Resources



*John Mashishi
Manager: Human Resources*

Strategic focus area

The Human Resources (HR) Department focuses on managing the recruitment and selection of staff, labour relations, transformation in the workplace, occupational health and safety matters, performance management, training and development, and the employee payroll.

Remuneration Committee

The Remuneration Committee considered and recommended for approval the outcome of the job evaluation for non-managerial staff and the remuneration policy in 2014. The committee also determined the 2015 cost of living adjustment for management.

Bargaining Committee

The Bargaining Committee deliberated on several issues of mutual interest, including

maternity leave, paternity leave, and the annual leave accrual method. Non-managerial staff participated in discussions regarding their 2014 cost of living adjustment, and both parties achieved satisfactory outcomes.

Employment Equity

The Employment Equity Committee developed a new employment equity plan for 2014–2019 which was approved by Council in 2014. The Office of the Registrar will endeavour to work towards achieving the set objectives and targets.

Breakdown of the Council workforce

Council's 2014 employment level per race group and gender was as follows:

| African | | Coloured | | Indian/Asian | | White | |
|---------|--------|----------|--------|--------------|--------|-------|--------|
| Male | Female | Male | Female | Male | Female | Male | Female |
| 22 | 38 | 0 | 2 | 0 | 1 | 0 | 8 |
| 60 | | 2 | | 1 | | 8 | |

Table 1: Breakdown of SAPC workforce in 2014

Employment Equity table showing Council's staff demographics as at 31 October 2014

| Occupational Levels | Male | | | | Female | | | | Foreign Nationals | | Total |
|--------------------------------------------------------------------------------------------------------------------|-----------|----------|----------|----------|-----------|----------|----------|----------|-------------------|----------|-----------|
| | A | C | I | W | A | C | I | W | Male | Female | |
| Top management | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 2 |
| Senior management | 2 | 0 | 0 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 6 |
| Professionally qualified and experienced specialists and mid-management | 4 | 0 | 0 | 0 | 5 | 0 | 1 | 1 | 0 | 0 | 11 |
| Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents | 3 | 0 | 0 | 0 | 7 | 0 | 0 | 3 | 0 | 0 | 13 |
| Semi-skilled and discretionary decision making | 9 | 0 | 0 | 0 | 19 | 2 | 0 | 2 | 0 | 0 | 32 |
| Unskilled and defined decision making | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| TOTAL PERMANENT | 21 | 0 | 0 | 0 | 33 | 2 | 1 | 8 | 1 | 0 | 65 |
| Temporary employees | 1 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 | 0 | 6 |
| GRAND TOTAL | 22 | 0 | 0 | 0 | 38 | 2 | 1 | 8 | 1 | 0 | 71 |

Table 2: Staff demographics as at 31 October 2014

Employee development and training

The workplace skills plan for the year under review was successfully carried out as per the table below.

| Course description | Number of employees |
|------------------------------------------------------------------------------|---------------------|
| Cobit V5 Implementation Certificate | 1 |
| Key Administrative & Business Skills for Secretaries and Personal Assistants | 6 |
| ITIL 2011 Edition Foundation Certificate | 2 |
| Cobit V5 Foundation Certificate | 1 |
| Business Writing Skills for Managers | 21 |
| Managing Day to Day Issues/Problem Employees | 21 |
| Health and Safety Committee Training | 13 |
| Skills Development & Learnership | 1 |
| Employment Equity for Committee Members | 11 |
| Assessors Training Course | 5 |

Table 3: Skills training offered in 2014

The professional development of Council employees continued in 2014. The programmes outlined in the table below were partly funded by Council.

| Under/Postgraduate | Category | Number of employees |
|-----------------------------------|------------|---------------------|
| Programme in Office Management | Staff | 1 |
| Bachelor of Law (LLB) | Staff | 2 |
| Bachelor of Communications | Staff | 1 |
| Bachelor of Commerce – Logistics | Staff | 1 |
| Master of Business Administration | Management | 1 |
| Total | | 6 |

Table 4: Breakdown of study assistance offered in 2014

Employee recruitment and retention

The systematic filling of positions continued during 2014. Although certain areas could not be optimally staffed due to financial constraints, the Office of the Registrar anticipates it will be in a position to rectify the situation in 2015. The staff turnover remained at a low level.

Employee wellness

Participation in the employee wellness programme increased from 7% in 2013 to 13% in 2014. The increase is attributed to the Wellness Day that was held in 2014. Activities focused on health risk assessments and staff turnout was overwhelming. Although 13% is regarded as a satisfactory participation level, ongoing awareness to keep the programme uppermost in the minds of employees is necessary. Emphasis is placed on promoting healthy lifestyles and raising awareness about topical health issues.

Employee compensation, incentives and performance recognition

| Department | Number of employees | Number awarded recognition |
|----------------------------------------------------|---------------------|----------------------------|
| Communication and Stakeholder Relations | 23 | 10 |
| Finance | 12 | 12 |
| Monitoring, Compliance and Professional Conduct | 11 | 9 |
| Professional Standards and Accreditation | 5 | 4 |
| CPD, Licensing, Preregistrations and Registrations | 10 | 9 |
| Information Technology | 3 | 3 |
| Corporate Services | 5 | 5 |
| Human Resources | 2 | 2 |
| Total | 71 | 54 |

Table 5: Employee compensation, incentives and performance recognition in 2014



Staff participating in Wellness Day

Communication and Stakeholder Relations



*Elmarie Venter
Senior Manager: Communication
and Stakeholder Relations*

Strategic focus area

The activities of the Communication and Stakeholder Relations (CSR) Department focus on four of Council's strategic objectives:

- Assist in the promotion of the health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Promote transparency to the profession and the general public (corporate governance).
- Provide managerial and administrative support to the Office of the Registrar.

In line with the above strategic focus areas, the department is responsible for public and media relations, general communication and publication-related activities for both internal and external stakeholders. In addition, the department manages Council's customer and logistics services.

Corporate Communication

Implementation of self-help functionality on IP PBX

In 2014 Council incorporated a self-help functionality on its VOIP-PBX to enhance customer service experience when contacting Council telephonically.

SAPC website

In 2014 Council's website recorded a total of 2 907 686 page views and 39.8% more visitors (473 264) than in 2013 (338 385). A total of 70% (333 254) of the visits were from members of the public and 29.6% (140 010) from pharmacy professionals using the secure login functionality. The usage of the secure login functionality increased by 38.5% in comparison with 2013.

Website functionality opinion poll

The overall user satisfaction of Council's website was rated 71% (excellent/good), 11% (average) and 18% (poor). (See figure 1 below).

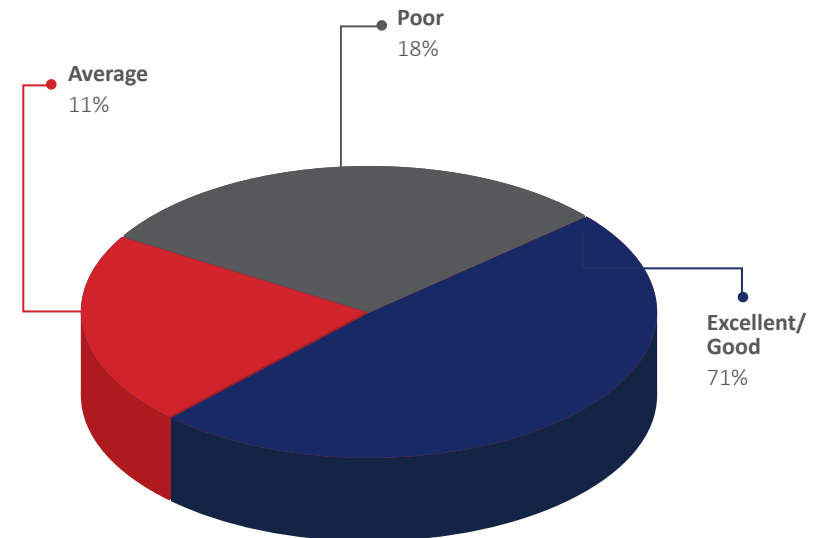


Figure 1: Overall satisfaction rating of Council's website in 2014

Online application and payment functionality

Online payments: During 2014, a total of 1 318 pharmacy professionals used the online payment functionality, transacting a total amount of R1 594 258.59 via the online portal.

Online applications: The online completion and submission of the following applications became mandatory in 2014:

- Pharmacist's assistant learner basic and post-basic registration
- Pharmacist's assistant basic and post-basic registration
- Pharmacist's assistant submission of progress report (4, 8 and 12 months)
- Student registration (BPharm, PTA and PT)

- Pharmacist intern registration
- Pharmacist intern application to write preregistration examination
- Pharmacist intern submission of progress report
- Pharmacist registration to perform remunerated community service (CSP)
- Pharmacist: completion of remunerated community service
- Pharmacist: voluntary removal from register
- Responsible pharmacist: resignation

Instant messaging and e-messages

- SMS bulk campaigns: A total of 69 104 SMSs was sent out in 2014.
- Bulk email campaigns: Twenty-nine different bulk e-campaigns were conducted during 2014, reaching a total of 94 237 pharmacy professionals.

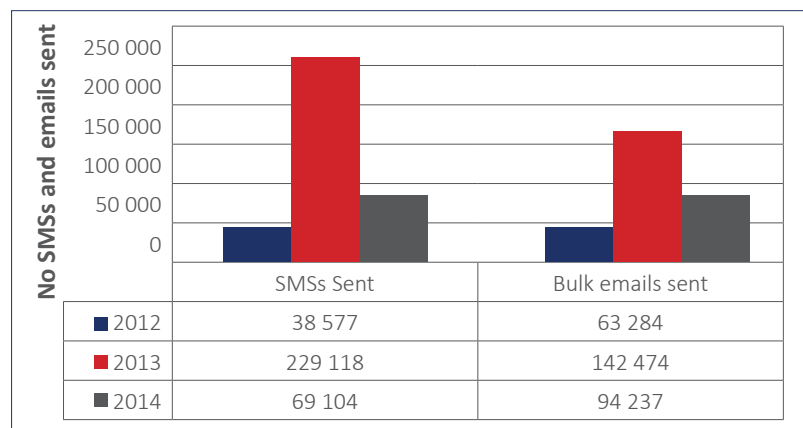


Figure 2: No. of SMSs and emails sent: 2012–2014

Council sent out 69 104 SMSs to pharmacy stakeholders. The total number of SMSs sent and bulk email campaigns undertaken in 2013 appears significantly higher due to extensive marketing and facilitation done for the 2013 1st National Pharmacy Conference, the 2013 National Pioneer Pharmacy Awards, the Council Elections and HR Workshops. SMS communication campaigns (listed above) constituted 38% of the total number of SMSs sent. The remaining 62% comprised operational SMSs from the SAPC Register, the Dashboard or ACCTEC systems.

Public and Media Relations

National Pharmacy Week

Pharmacy Week 2014 took place between 1 and 8 September under the theme *Rational*

use of Medicines and Antimicrobial Resistance (AMR). The promotional material was developed by the Council and its partners, the National Department of Health (NDoH), Systems for Improved Access to Pharmaceuticals and Services (SIAPS) and the Pharmaceutical Society of South Africa (PSSA). The SAPC issued a press release on 1 September 2014 and vice president Douglas Defty was available as media spokesperson as the president and the registrar/CEO were out of the country at the time. The Office of the Registrar would like to thank members for the numerous Pharmacy Week participation reports showing pharmacy professionals reaching out to their communities, schools and patients. We take this opportunity to share the activities of some of the success stories.



The pharmacy team at the Helene Franz Hospital enjoy a quiet moment during an eventful Pharmacy Week in which they delivered daily presentations at OPD and clinics.

Publications and posters

Two editions of *Pharmaciae*, Council’s official publication, were produced during 2014, and four *SAPC i-news* publications were distributed to all pharmacy professionals. Council resolved in October 2014 that, as a cost saving measure, future editions of *Pharmaciae* would be produced as e-publications and circulated electronically.

Pharmaciae and the online *SAPC i-news* carried information on the activities of Council, important Council resolutions and articles on a diverse range of topics. The publications were distributed to all persons on the register. The department was also responsible for producing the 2013 Annual Report.

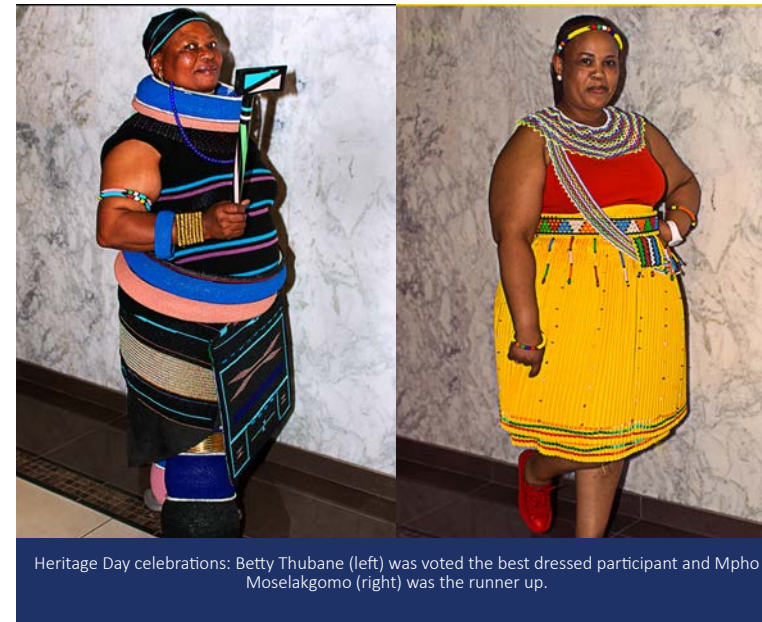
Posters depicting the pharmacy profession’s new vision, mission and core values, arising from the inputs of delegates attending the 1st National Pharmacy Conference in 2013, were designed and distributed to the profession.

A number of topical press statements were released to national newspapers in 2014: the newly elected president of the South African Pharmacy Council; stock outs and incorrect storage of vaccines in Eastern Cape, Limpopo, Mpumalanga and Gauteng; the wise use of antibiotics to obtain the best value from medicine. The Office of the Registrar responded to various media queries arising from the press statements.

Internal communication

Council communicates with staff via internal e-notes and disseminates news, operational updates and events. A total of 68 internal e-notes were sent to staff during the period under review. The following campaigns were initiated and celebrated as special internal communication projects:

- A Wellness Day was hosted on 12 September 2014 to remind staff that they were responsible for their own health and wellbeing. The following services were offered:
 - health risk assessments and HIV counselling and testing – nurses were on hand to test cholesterol levels, blood glucose, blood pressure, body mass index, waist circumference, and conduct HIV rapid tests
 - vision screening (eye tests)
 - massages (neck and shoulder)
 - X2 products
 - ‘smoothie’ tasting
 - men’s health information
- Heritage Day was celebrated on 29 September 2014 and staff embraced the opportunity to wear their traditional attire, bringing the Office alive with an explosion of colour and culture.
- Secretaries in the Office of the Registrar were treated to a brunch at Boabab Restaurant on 12 September 2014.
- A year-end team building exercise was held in Gauteng on 5 December 2014. Participants were divided into three groups – Communication and Stakeholder Relations, Professional Affairs and Corporate Services.



Stakeholder Relations

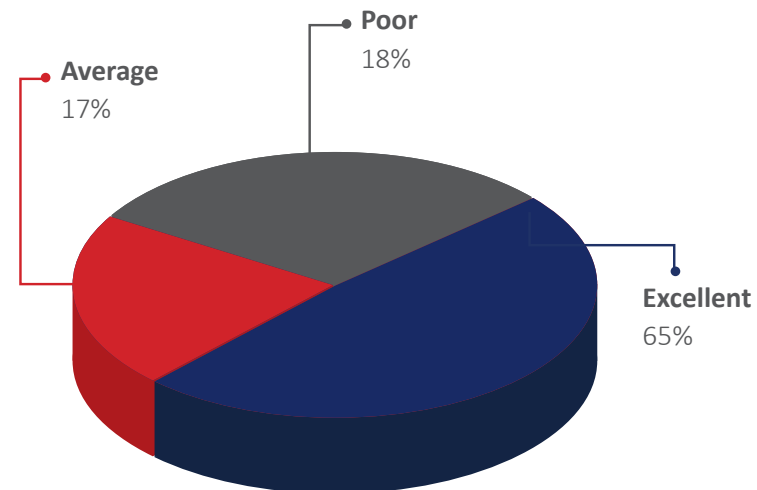


Figure 3: Service delivery rating 2014

Council’s excellent/good service delivery rating improved by 7% to 65% in 2014 and the poor rating dropped from 24% (2013) to 18%. Seventeen percent of pharmacy professionals that completed the survey rated Council’s service as average (see figure 3).

Customer Care Pre-audit Centre

The Pre-audit Centre notifies customers instantly via SMSs or emails of the receipt of their documents or outstanding documents required for registration. This system assists customers in tracking their registration enquiries, follow-ups and progress in respect of their applications.

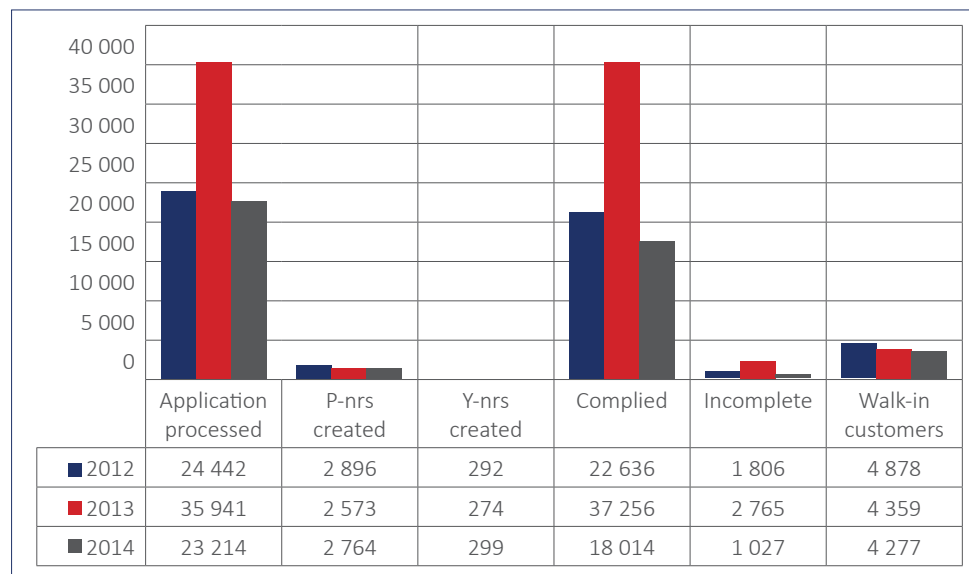


Figure 4: Logistics Centre operations: 2012– 2014

With the usage of the online functionalities gaining in momentum, the unit scanned 16% less documents than in 2013. It created 19% of the manual cases received, with the Contact Centre agents scanning the bulk (81%) of the documents received. The unit printed, scanned and couriered 2 368 grading certificates. Postage increased by 18%.

Council’s Optical Character Recognition (OCR) system

The OCR system continues to remain significant in the efficient creation of cases. Of the 26 931 cases created during the period under review, 15% were online cases, a 14% improvement from the 1% in 2013. A total of 48% of cases was created using the OCR system (15% less than in 2013) and 37% were created manually.

ID registration card

Council’s registration cards boast security and barcode features with ID passport photos. From printing to couriering, the process is in-house, which simplifies the handling of communication queries. A total of 2 795 ID registration cards (342 more than in 2013), for pharmacy students, learner basic assistants, basic assistants, learner post-basic assistants, post-basic assistants, pharmacist interns, community service pharmacists and pharmacists, was issued in 2014.



Communication and Stakeholder Relations Department

Legal Services and Professional Conduct



Debbie Hoffmann
Senior Manager: Legal Services
& Professional Conduct



Lizette Roets
Chairperson: CPI

Strategic focus area

The activities of the Legal Services and Professional Conduct (LS & PC) Department focus on four of Council's strategic objectives:

- Establish, develop, maintain and control universally acceptable standards of:
 - the practice of the various categories of persons required to be registered in terms of the Pharmacy Act
 - professional conduct required of persons registered in terms of the Pharmacy Act
 - control over persons registered in terms of the Pharmacy Act by investigating, in accordance with the Act, complaints or accusations relating to the conduct of registered persons
- Promote transparency to the profession and the general public (corporate governance).
- Maintain and enhance the dignity of the profession.
- Coordinate the activities of the disciplinary committees of Council.

In addition the LS&PC Department provides legal support to the Office of the Registrar and Council.

Professional conduct workshop

A professional conduct workshop was held to inform the new Council members of professional conduct procedures, the roles of each of the committees and the functions of the LS&PC Department.

Committee of Preliminary Investigation

Council received a total number of 265 complaints in 2014. The Committee of Preliminary Investigation (CPI), chaired by Ms Lizette Roets, reviewed 224 matters and recommended R1 366 000 in terms of potential fines.

Committee of Informal Inquiries

The Committee of Informal Inquiries (CII) was chaired by Mr Sham Moodley during 2014, and reviewed 83 matters. It confirmed fines to the amount of R875 000 and cost orders to the amount of R170 000.

Committee of Formal Investigation

The Council held 10 formal inquiries heard by the Committee of Formal Investigation (CFI) during 2014. Nine respondents were found guilty and one respondent not guilty. The value of the fines ordered by the CFI amounted to R128 500 with corresponding cost orders of R102 024.

Legal enquiries and legal opinions

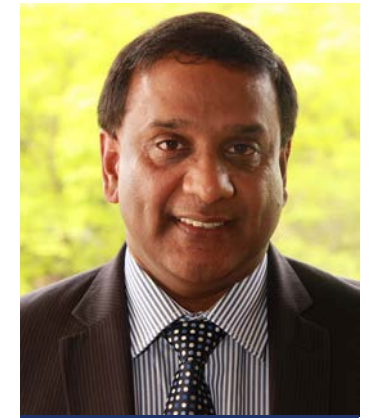
LS&PC formerly addressed 70 legal and legal-related enquiries during 2014. LS&PC provided support to the Office of the Registrar and Council by way of four formal, legal opinions drafted at the request of Council and/or the Office of the Registrar.

Certificates of good standing

LS&PC granted 30 Certificates of Good Standing to applicants during 2014.

Section 26 certificates

LS&PC granted 20 Certificates of Registration, issued in terms of Section 26 of the Pharmacy Act, the purposes of which ranged from personal use to investigations undertaken by the Medicines Regulatory Authority under the National Department of Health, investigations by forensic companies for and on behalf of medical schemes, and matters pertaining to civil litigation.



Sham Moodley
Chairperson: CII



Information Technology



*Thabo Litabe
Senior Manger: Information
Technology*

Strategic focus area

The focus of the Department of Information Technology is on improving internal efficiency and effectiveness.

Connectivity

During the year 2014, the Office of the Registrar upgraded the ADSL line to Neotel 8Mbps fibre (NeoInternet) due to the incapacity of ADSL to support the Office's migration to voice over IP technology on the internet line. Telkom Diginet was upgraded to 8Mbps Fibre (Gold Burstable) to improve business applications running on Diginet line. This Telkom fibre will in addition, serve as a failover in the event of the Neotel fibre being faulty and vice versa.

Security

An information security policy to safeguard Council data and information was developed and approved.

Software

Software renewed and/or procured to ensure that all applications were up to date included Manage Engine Service Desk, Symantec Endpoint Protection (antivirus application) and Backup Exec (backup and restore application) and Microsoft Office Application Upgrade.

Hardware

Hardware on the network, server, computers and UPS was upgraded to ensure continued and efficient service delivery.

Register System

Enhancements to improve the functionality of the register system in 2014 included GPP evaluation, online inspections, questionnaires, new qualification requirements, online tutor applications, online premises applications and online shortcomings responses.



Information Technology Department

Professional Affairs



Vuyo Mokoena
Senior Manger: Professional Affairs (Practice)

Practice

Strategic focus area

The activities of the Professional Affairs, Practice Unit, focus on four of Council’s strategic goals:

- Promote the provision of pharmaceutical care which complies with universal norms and values, in both the public and the private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of a patient.
- Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sectors.
- Establish, develop, maintain and control universally acceptable standards of practice in the various categories of persons required to be registered in terms of the Pharmacy Act, as well as the promotion of the provision of pharmaceutical care.
- Establish, develop, maintain and control universally acceptable standards of practice in the professional conduct required of a person registered in terms of the Pharmacy Act.

Practice Committee

The Practice Committee, under the chairpersonship of Mr Tshepo Mphaka, held five meetings, and two task team meetings to facilitate the finalisation of legislative reforms aimed at expanding patient access to medicines in a safe environment. The profession has been confronted with a need to provide the public with adequate access to pharmaceutical services.

In line with the resolutions of the 1st Pharmacy Conference held in 2013, and the subsequent SAPC Strategic Plan 2014–2018, Council, with the input of the Practice Committee, in November 2014:

- Finalised and published for comment the following minimum standards for:
 - community/institutional pharmacies providing pharmaceutical services via the internet

- remote dispensing (RADU) community pharmacy
 - remote dispensing (RADU) institutional pharmacy
 - community pharmacy/institutional pharmacies providing mobile pharmaceutical services
 - the collection and delivery of medicines to patients from a community or institutional pharmacy.
- Published for implementation the following minimum standards for:
 - the procurement, storage and distribution of thermolabile pharmaceutical products
 - automated dispensing units for dispensing medicines and medical devices.

In addition, Council approved the minimum standards for a Courier Pharmacy, a new category of pharmacy to be established in terms of the practice regulations. The publication of these minimum standards was held in abeyance pending the signing of the regulations establishing this new category of pharmacy.

A number of significant amendments to Annexure A of the *Rules relating to good pharmacy practice* in accordance with section 35A (b) (ii) was also made. These were intended to either provide further clarification of the existing rules, or provide for ease of implementation. These changes included amendments to the following rule:

- Circumstances and conditions under which a responsible pharmacist may be absent from his/her pharmacy.

The amendment to this rule was necessitated by a need to correct the apparent misuse or abuse of this section by pharmacies – as observed during the inspection of pharmacies where a number of pharmacies operated for prolonged period of times without a pharmacist.

Promoting compliance with good pharmacy practice in both the private and public sectors

One of Council’s strategic goals is upholding and safeguarding the rights of the public to universally acceptable standards of pharmacy



Tshepo Mphaka
Chairperson: Practice Committee

practice in both the public and private sectors. This is achieved by inspecting all pharmacies licensed in terms of section 22(1) and recorded in accordance with provisions of section 22(2) of the Pharmacy Act. Council is empowered in terms of section 22(6) to perform inspections at premises in which the business of a pharmacy is carried out and to provide reports on the findings to the Director-General of Health and the person who submitted the application for a licence.

Council approved and implemented the grading of pharmacies in 2013 and the system was fully implemented in 2014. The objectives of the system are to ensure that:

- all licensed pharmacies are inspected regularly
- inspections are objective and the results thereof regarded as a good measure of quality.

In line with these objectives, the grade C pharmacies that were inspected in 2013 (about 400 pharmacies) were re-inspected in 2014.

As at 25 November 2014, a total of 1 978 pharmacies had been inspected and graded. Table 6 below shows the number of inspected pharmacies per province over the past four years (2011–2014).

| Province | 2011 | 2012 | 2013 | 2014 |
|---------------|------------|--------------|--------------|--------------|
| Eastern Cape | 52 | 123 | 108 | 148 |
| Free State | 52 | 96 | 59 | 119 |
| Gauteng | 327 | 568 | 682 | 753 |
| KwaZulu-Natal | 119 | 282 | 226 | 225 |
| Limpopo | 37 | 34 | 79 | 64 |
| Mpumalanga | 33 | 145 | 82 | 104 |
| North West | 43 | 109 | 64 | 132 |
| Northern Cape | 14 | 42 | 27 | 55 |
| Unknown | 130 | 487 | 309 | 0 |
| Western Cape | 137 | 243 | 226 | 378 |
| Total | 944 | 2 129 | 1 862 | 1 978 |

Table 6: Number of pharmacies inspected per province: 2011–2014

| Pharmacy Type | A | B | C | D | Total |
|-------------------------|------------|------------|------------|------------|--------------|
| Community | 552 | 424 | 315 | 90 | 1 381 |
| Consultant | 2 | | 2 | 4 | 8 |
| Institutional (Private) | 81 | 35 | 12 | 2 | 130 |
| Institutional (Public) | 148 | 91 | 42 | 7 | 288 |
| Manufacturing | 29 | 16 | 15 | 9 | 69 |
| Wholesale | 38 | 25 | 27 | 12 | 102 |
| Grand total | 850 | 591 | 413 | 124 | 1 978 |

Table 7: Grading of pharmacies per category in 2014

Table 7 above shows the number of pharmacies inspected and graded in 2014. Grade D (124) are pharmacies found to have closed or be non-existent but still on Council's register. This exercise has ensured that Council's registers are updated and reflect the correct number of existing facilities that offer pharmaceutical services. Of the 413 grade C pharmacies, 42 were found to be public sector institutions with a major part of the non-compliance being infrastructure.

The grading system measures a pharmacy's level of compliance with the standards of pharmacy practice. The standards set the minimum requirements necessary to provide pharmaceutical services in a professional manner. The grading measures the quality of service patients receive every time they contact or visit a pharmacy.

For purposes of training interns and/or pharmacy support personnel, a pharmacy is approved for a period equivalent to the grade obtained or the remainder thereof. In order to uphold high standards in education and training, no intern/pharmacy support personnel may be trained in a grade C facility.

The inspection results revealed a number of areas that do not comply with GPP standards for the effective delivery of quality pharmaceutical services. Interventions to address these deficiencies will include publishing compliance articles in the *Pharmaciae*, conducting workshops and seminars, and enforcing disciplinary measures on pharmacists who are found to be non-compliant.

Approval of premises for the training of pharmacist interns and pharmacy support personnel

A total of 692 pharmacy premises were approved for training purposes in 2014. The period of training is between one and three years, depending on the compliance level (grade) of the pharmacy. The majority of approvals were finalised on the basis of the results from monitoring inspections as opposed to previous years where approval was largely reliant on training inspections.

| Province | 2011 | 2012 | 2013 | 2014 |
|---------------|------------|------------|------------|------------|
| Eastern Cape | 42 | 28 | 35 | 46 |
| Free State | 27 | 39 | 39 | 32 |
| Gauteng | 316 | 169 | 222 | 241 |
| KwaZulu-Natal | 90 | 82 | 61 | 97 |
| Limpopo | 26 | 24 | 25 | 31 |
| Mpumalanga | 31 | 39 | 37 | 35 |
| North West | 45 | 30 | 33 | 46 |
| Northern Cape | 12 | 9 | 6 | 13 |
| Unknown | 86 | 121 | 135 | 0 |
| Western Cape | 127 | 92 | 99 | 151 |
| Total | 802 | 633 | 692 | 692 |

Table 8: Approval of pharmacy premises for purposes of training: 2011–2014

Recommending the issuing of permits, exemptions and licence applications

A total of 98 permit applications in terms of section 22(A) of the Medicines and Related Substances Act, 101 of 1965 were submitted from a variety of healthcare professionals. These were presented for approval at each of the four Practice Committee meetings in 2014.

As at 25 November 2014, Council had recommended that the Director-General of Health approve 420 licences to own a pharmacy in terms of section 22 of the Pharmacy Act. Negotiations to have the administration of the pharmacy licensing process transferred from the NDoH to Council are at an advanced stage.



Professional Affairs



Mojo Mokoena
Senior Manager: Professional Affairs (CPD and Registrations)

CPD and Registrations

Strategic focus area

The activities of the Professional Affairs, CPD and Registrations unit focus on four of Council's strategic goals:

- Uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice in both the public and private sector.
- Establish, develop, maintain and control universally acceptable standards in pharmaceutical education and training.
- Establish, develop, maintain and control universally acceptable standards for the registration of a person who provides one or more or all of the services which form part of the scope of practice of the category in which such person is registered.
- Coordinate the activities of Council by

appointing committees.

CPD Committee

The Continuing Professional Development (CPD) Committee met on four occasions in 2014, with Dr Panjasaram Naidoo as the chairperson. During this period, the CPD Committee continued engaging with the NDoH on the CPD regulations. The *Guidance Document for CPD* was amended.

The chairperson of the CPD Committee, together with two staff members from the Office of the Registrar, attended and delivered two presentations at the Life Long Learning in Pharmacy conference at the College of Pharmacy, University of Florida. The presentations focused



Dr Panjasaram Naidoo
Chairperson: CPD Committee

on *Authorised Pharmacist Prescriber: Expanding the role of pharmacists in South Africa and Creating new midlevel workers for pharmacy in South Africa.*

The CPD Committee discussed strategies for the recognition of a pharmacy technician qualification obtained outside South Africa once the supporting legislation is gazetted.

In 2014, Council took a decision to move the evaluation of applicants with qualifications obtained outside South Africa from the Education Committee to the CPD Committee. Table 15 provides a summary of all the applications evaluated by the CPD Committee.

Health Committee

At the end of 2014, the Health Committee had 13 cases that required further monitoring in 2015. The tables below summarise the cases managed by the Health Committee during the year under review in comparison with 2012 and 2013. Cases range from newly opened and closed, age and gender analyses to types of cases managed.



Vusi Cornelias Dlamini
Chairperson: Health Committee

| Year | New | Managed | Closed |
|------|-----|---------|--------|
| 2012 | 4 | 12 | 1 |
| 2013 | 4 | 15 | 4 |
| 2014 | 1 | 13 | 1 |

Table 9: Newly opened and closed cases: 2012–2014

| Year | 20 – 29 | 30 – 39 | 40 – 49 | 50 – 59 | 60+ | Total |
|------|---------|---------|---------|---------|-----|-------|
| 2012 | 1 | 4 | 3 | 3 | 1 | 12 |
| 2013 | 1 | 6 | 4 | 3 | 1 | 15 |
| 2014 | 1 | 7 | 2 | 3 | 0 | 13 |

Table 10: Age analyses: 2012–2014

| Gender | Males | Females |
|--------|-------|---------|
| 2012 | 7 | 5 |
| 2013 | 10 | 5 |
| 2014 | 8 | 5 |

Table 11: Managed cases by gender: 2012–2014

| Year | Alcohol | Mental Illness | Prescription and drug abuse |
|------|---------|----------------|-----------------------------|
| 2012 | 2 | 6 | 4 |
| 2013 | 2 | 8 | 5 |
| 2014 | 0 | 8 | 5 |

Table 12: Different categories of cases managed: 2012–2014

Setting up the infrastructure for the delivery of pharmacy-related learning

Student information sessions and intern workshops

Council conducted information sessions with first and fourth year students at all accredited universities in 2014.

The purpose of the sessions with the first year students was to introduce them to the Pharmacy Act, the objects of Council, registration requirements and the website functionality they must use to register and communicate with the Office of the Registrar. The fourth year student information session dealt with the internship process and web pages that are crucial during the internship period.

In January 2014, the Office of the Registrar conducted a feedback session and a train-the-trainer workshop for assessors and moderators of pharmacist interns. Examiners and moderators for preregistration examinations also met during the year. During these two meetings, Council decisions affecting internships and CPD assessments and examination results were discussed.

A total of 10 tutor/intern workshops and 10 preregistration examination workshops were conducted in 2014. During the workshops, intern requirements were discussed in detail.

Preregistration evaluations

Three preregistration examinations were written in 2014, in March, July and October. In 2013, the first examination was written in February instead of March and the second in July instead of

August. The table below provides a summary of the total number of interns who wrote papers 1 and 2 in 2014 compared with 2013.

| Examination date | No. of interns who wrote paper 1 in 2013 | No. of interns who wrote paper 1 in 2014 | No. of interns who wrote paper 2 in 2013 | No. of interns who wrote paper 2 in 2014 |
|------------------|------------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| February/March | 46 | 71 | 44 | 53 |
| July/August | 451 | 504 | 455 | 515 |
| October | 89 | 93 | 121 | 163 |

Table 13: Interns who wrote the preregistration examination: 2013 and 2014

Interns taking the preregistration examination for the first time are advised to write both papers, but they can opt to write only one paper. Interns who fail one paper are required to rewrite only the paper they failed. This explains the discrepancies in the number of interns writing papers 1 and 2 for the same examination. In addition, some interns were writing a paper for the second or third time. The table below shows a summary of the results of the preregistration examinations between 2012 and 2014.

| | 2012 | 2013 | 2014 |
|------------------------------------------|--------|--------|--------|
| No of interns who wrote the examination | 539 | 649 | 780 |
| No of interns who passed the examination | 429 | 485 | 502 |
| No of interns who failed the examination | 110 | 164 | 278 |
| % pass rate | 79.59% | 74.73% | 64.39% |

Table 14: Preregistration examination results for examinations written: 2012–2014

Recognition of foreign qualifications

Council resolved in February 2014 that the evaluation of applicants with foreign qualifications be carried out by the CPD Committee instead of the Education Committee.

During the period under review, 39 applications were evaluated by the CPD Committee.

The table below shows the number of applications received from foreign qualified persons in 2014 compared with 2012 and 2013.

| | Applications received | Pharmacists | Pharmacist’s assistants |
|------|-----------------------|-------------|-------------------------|
| 2012 | 31 | 27 | 4 |
| 2013 | 34 | 32 | 2 |
| 2014 | 39 | 38 | 1 |

Table 15: Summary of applications for evaluation of credentials for foreign qualified persons

Upon evaluation by the CPD Committee, pharmacists with foreign qualifications are required to pass the professional examination, register as interns and undergo an internship, and pass the preregistration examinations. Pharmacist's assistants may be required to register as learners, undergo in-service training and complete a module in pharmacy law and ethics through an approved provider.

Professional examinations, which comprise four papers, were held in May and October 2014. The four papers were pharmacology and toxicology, pharmacy practice and administration, pharmacy law and ethics, and pharmaceuticals and pharmaceutical chemistry.

| | Pharmacology & Toxicology | | | Pharmacy Practice & Administration | | | Pharmacy Law & Ethics | | | Pharmaceuticals & Pharmaceutical Chemistry | | |
|--------------------------|---------------------------|------|------|------------------------------------|------|------|-----------------------|------|------|--------------------------------------------|------|------|
| | 2012 | 2013 | 2014 | 2012 | 2013 | 2014 | 2012 | 2013 | 2014 | 2012 | 2013 | 2014 |
| No. of candidates | 43 | 35 | 58 | 36 | 25 | 45 | 40 | 38 | 65 | 56 | 32 | 45 |
| Passed | 33 | 17 | 44 | 34 | 25 | 42 | 19 | 23 | 45 | 32 | 32 | 35 |
| Failed | 10 | 18 | 14 | 2 | 0 | 3 | 21 | 15 | 20 | 24 | 12 | 10 |

Table 16: Professional examination results: 2012–2014

Registration of persons and organisations

In 2014 the register had a total of 32 149 active persons.

| Category of registered persons | 2012 | 2013 | 2014 |
|--------------------------------------------|---------------|---------------|---------------|
| Pharmacist's assistants learner basic | w3 846 | 4 285 | 3 684 |
| Pharmacist's assistants basic | 887 | 1 242 | 1 939 |
| Pharmacist's assistants learner post-basic | 1 700 | 1 898 | 1 961 |
| Pharmacist's assistants post-basic | 4 615 | 5 534 | 6 576 |
| Students (mostly 2nd year) | 2 260 | 2 545 | 3 235 |
| Pharmacist interns | 616 | 715 | 804 |
| Community service pharmacists | 459 | 424 | 547 |
| Pharmacists | 13 031 | 13 321 | 13 391 |
| Specialist pharmacists | 12 | 12 | 12 |
| Total | 27 426 | 29 976 | 32 149 |

Table 17: Active persons in the Council register: 2012–2014

According to the register of organisations there were 14 registered providers in 2014 and 4 399 pharmacies. The table below indicates the total number of active pharmacies during the period 2012 to 2014.

| Facility by category | 2012 | 2013 | 2014 |
|-------------------------|--------------|--------------|--------------|
| Community | 3 124 | 3 041 | 3 003 |
| Consultant | 15 | 13 | 12 |
| Institutional (Private) | 257 | 255 | 266 |
| Institutional (Public) | 641 | 639 | 639 |
| Manufacturing | 267 | 248 | 251 |
| Wholesale | 289 | 249 | 228 |
| Total | 4 593 | 4 445 | 4 399 |

Table 18: Active pharmacies per category as per Council register

The reason for the decreased numbers in 2013 and 2014 is due to the high number of pharmacies removed from the register following the inspections that were conducted. Council found no pharmacies at some of the recorded addresses. Those pharmacies were subsequently graded as D, meaning they do not exist.

Pharmacies which had been graded D but were later discovered to have relocated, without informing Council, were referred to the legal unit.

| Facility by category | EC | FS | GP | KZN | LP | MP | NW | NC | WC | Total |
|-------------------------|------------|------------|--------------|------------|------------|------------|------------|------------|------------|--------------|
| Community | 230 | 141 | 1 063 | 495 | 167 | 205 | 193 | 57 | 451 | 3 002 |
| Consultant | 0 | 0 | 9 | 2 | 0 | 0 | 0 | 0 | 1 | 12 |
| Institutional (Private) | 24 | 14 | 98 | 44 | 8 | 14 | 23 | 5 | 36 | 266 |
| Institutional (Public) | 98 | 50 | 81 | 101 | 46 | 32 | 54 | 43 | 134 | 639 |
| Manufacturing | 8 | 1 | 199 | 8 | | 1 | 8 | | 26 | 251 |
| Wholesale | 21 | 7 | 128 | 22 | 5 | 3 | 3 | 3 | 36 | 228 |
| Grand total | 381 | 213 | 1 578 | 672 | 226 | 255 | 281 | 108 | 684 | 4 399 |

Table 19: Distribution of different categories of pharmacies by province: 2014

Opened and closed pharmacies

The table below presents a summary of the opened and closed pharmacies in 2014 compared with those in 2012 and 2013. As pharmacies are closed, the total number of active pharmacies on Council's register reduces (as shown in table 18, active pharmacies per category as per Council register).

More pharmacies are required, especially in the rural areas, to meet the needs of the public. In addition to the grade D pharmacies, some of the pharmacies were closed at the request of the owners.

| Facilities by category | 2012 | | 2013 | | 2014 | |
|------------------------|------------|-----------|-----------|------------|-----------|------------|
| | Opened | Closed | Opened | Closed | Opened | Closed |
| Community | 83 | 26 | 68 | 153 | 36 | 107 |
| Consultant | 0 | 0 | 0 | 2 | 0 | 1 |
| Manufacturing | 3 | 2 | 3 | 19 | 0 | 10 |
| Private Institutional | 4 | 4 | 3 | 9 | 5 | 6 |
| Public Institutional | 7 | 3 | 1 | 3 | 2 | 8 |
| Wholesale | 3 | 5 | 1 | 39 | 1 | 19 |
| Total | 100 | 40 | 76 | 225 | 44 | 151 |

Table 20: Total number of pharmacies opened and closed: 2012–2014

Table 21 shows the distribution of pharmacists and pharmacy support personnel per province in 2014. Gauteng, KwaZulu-Natal and Western Cape have the highest concentration of pharmacists.

| | Eastern Cape | Free State | Gauteng | KwaZulu-Natal | Limpopo | Mpumalanga | North West | Northern Cape | Unknown | Western Cape |
|-------------------------------------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Pharmacist's assistant basic | 195 | 43 | 561 | 410 | 127 | 106 | 114 | 55 | 93 | 234 |
| Pharmacist's assistant learner basic | 304 | 88 | 1 309 | 598 | 230 | 237 | 213 | 57 | 199 | 449 |
| Pharmacist's assistant learner post-basic | 189 | 69 | 667 | 321 | 118 | 112 | 105 | 19 | 96 | 257 |
| Pharmacist's assistant post-basic | 485 | 496 | 1 996 | 907 | 319 | 363 | 348 | 85 | 449 | 1 122 |
| Pharmacist | 1 103 | 456 | 4 566 | 1 985 | 614 | 592 | 695 | 174 | 1 077 | 2 027 |
| | 2 276 | 1 152 | 9 099 | 4 221 | 1 408 | 1 410 | 1 475 | 390 | 1 914 | 4 089 |

Table 21: Distribution of pharmacists and pharmacy support personnel per province in 2014

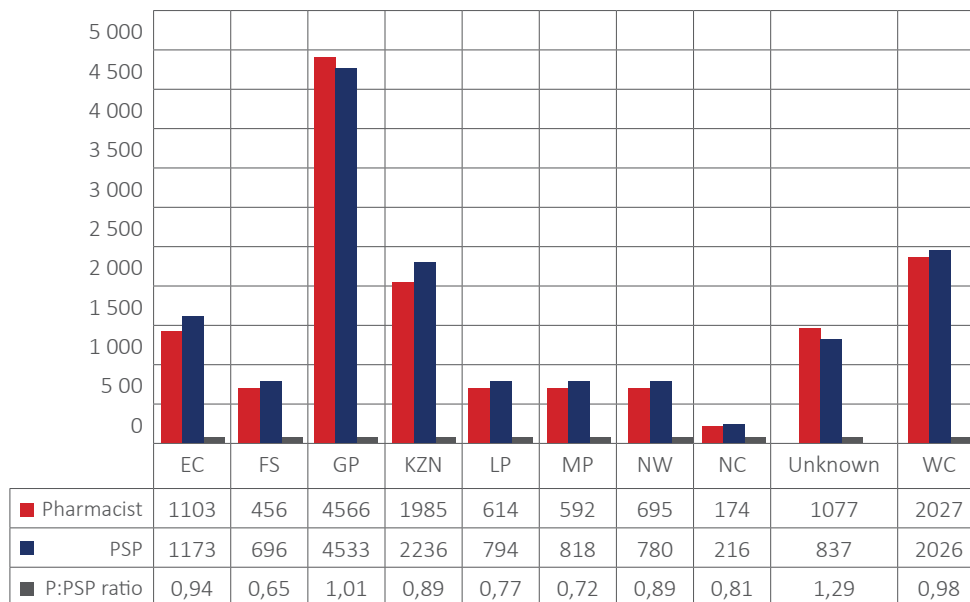


Figure 5: Ratio of pharmacists to pharmacy support personnel per province in 2014

Maintenance of Council registers

The following projects were undertaken in 2014 to ensure the accuracy and credibility of Council’s database.

Removal of registered persons from Council’s registers

Any person who seeks to have their name removed from the Council register may do so by completing an application to request removal from the Council register. Unfortunately, only a limited number of people actually inform Council they no longer want their names to remain active on the register.

In 2014, a total of 65 pharmacists applied for voluntary erasure. Council removed 631 pharmacists for non-payment of annual fees and by the end of the year, 280 had applied for restoration. Some of the pharmacists that applied for restoration had been removed in previous years.

The removal of persons for non-payment of annual fees also assists Council in identifying and removing deceased persons from the register as, in many cases, families do not inform Council.

In December 2014, Council conducted a survey on pharmacists over the age of 70 who had not paid annual fees in 2012/2013, and who had not been removed as they pay a reduced fee. The survey was to establish whether these pharmacists were still practising or wished only to remain on the register. A total of 114 was untraceable as they either did not have contact details or their contact details were incorrect. These pharmacists were removed from Council’s register. A total of 53 requested to be removed, and the families of 33 reported them as deceased. The remainder requested to remain registered and made a commitment to pay their annual fees.

In February 2014, Council removed a total of 701 pharmacist’s assistants learner basic (PALB) and 352 pharmacist’s assistants learner post-basic (PALPB) who had failed to complete the old qualification (PALB: SAQA ID19825 and PALPB: SAQA ID19819) at the end of the teach-out period on 20 August 2013). The 352 PALPBs who obtained a basic qualification were moved into the basic register.

Pharmacist’s assistants who had failed to complete their qualification within 30 months were also removed. Some of these assistants applied for an extension, for a period not exceeding seven months, to finalise their outstanding modules. Council approved an extension for those who met the criteria outlined in the application form.

Some of the projects proposed for 2015

- Removal of students who no longer meet the requirements for registration in terms of regulation 6 (1) of the *Regulations relating to the registration of persons and the maintenance of registers*.
- Pharmacist’s assistants who no longer meet the requirements for registration in terms of regulation 32 (1) of the *Regulations relating to the registration of persons and the maintenance of registers*.
- Interns who no longer meet the requirements to remain on Council’s register in terms of regulation 11 (1) of the *Regulations relating to the registration of persons and the maintenance of registers*.
- Identifying a structural and effective process for the referral of a pharmacy that is found operating without a responsible pharmacist to the Committee of Preliminary Investigation.



Professional Affairs (CPD & Registrations) Department

Professional Affairs



*Hlonelikaya Masiza
Senior Manager: Professional
Affairs (Education)*

Education

Strategic focus area

The activities of the Professional Affairs (Education) unit focus on five of Council's strategic goals:

- Assist in the promotion of health of the population of the Republic of South Africa.
- Advise the Minister of Health or any other person on any matter relating to pharmacy.
- Promote the provision of pharmaceutical care which complies with universal norms and values, in both the public and the private sectors, with the goal of achieving definite therapeutic outcomes for the health and quality of life of a patient.
- Establish, develop, maintain and control universally acceptable standards in pharmaceutical education and training.
- Coordinate the activities of Council and its committees.

Education Committee

The Education Committee held four meetings under the chairpersonship of Prof Rod Walker in 2014. The following recommendations of the Education Committee were approved by Council during the year under review:

- One of the new format papers for the preregistration examinations be made available as part of the training workshop to assist interns with preparations for the preregistration examination.
- The paper made available be excluded from Council's electronic database of multiple choice questions and examiners informed not to use any of the questions from that paper.
- A task team to evaluate the appropriate pass mark for paper 1 of the preregistration examination.
- Submission deadline dates for CPD entries be changed to encourage the submission

of CPD entries and the results to be released every two months.

- Tutors in academic institutions approved by Council as providers of a qualification in pharmacy be allowed to act as a tutor to a maximum of five academic interns.
- The entrance requirements for the preregistration examination, in addition to the registration of a minimum period of six months by the examination date, be the:
 - submission of four CPD entries
 - submission of at least one progress report, i.e. the 12th week progress report
- The entrance requirements for the preregistration examination for a pharmacist intern registered for a minimum period of nine months by the examination date be the:
 - submission of eight CPD entries
 - submission of the 12th, 24th and 36th week progress reports.
- A new moderator for professional examination for the pharmacology and toxicology paper be appointed.
- Approve the following task teams for:
 - internship review
 - drafting good pharmacy education standards (GPES)
 - drafting the qualifications for specialists in pharmacy.
- Minimum requirements for recognition of postgraduate qualifications for specialisation be drafted when the regulations are published for comment.
- Learners enrolling for the pharmacist's assistant post-basic programme must have passed the second additional language on the National Qualifications Framework (NQF) level 4 with a minimum of 50% in order to be exempted from the second additional language requirement. Those candidates who achieve a mark below 50% be required to complete the second additional language component.
- The pharmacy technician students who have elected to proceed with the pharmacy technician qualification be permitted to practise the scope of practice of a pharmacy technical assistant to gain work experience.

The annual meeting for the providers of the Bachelor of Pharmacy qualification was held



*Prof Rod Walker
Chairperson: Education
Committee*

on 3 April 2014. Professor Sandra van Dyk was elected as the chairperson of the Heads of Pharmacy Schools Committee for the period 2014/2016. Various matters regarding education and training were discussed and included the following:

- drafting of new qualifications for specialists
- preregistration workshops
- appointment of an examiner and a moderator for preregistration examinations
- Council's process for the registration of students
- training of pharmacy support personnel
- the International Conference in Lifelong Learning in Pharmacy in Florida
- accreditation and monitoring visits
- good pharmacy education standards
- salaries and staffing norms
- the appropriate authority level for the providers of the BPharm programme
- communication with Council
- continuing professional development
- preregistration examination results
- Bachelor of Pharmacy qualification.

The heads of pharmacy schools requested Council to consider the following recommendations:

- review of the student registration fees
- from 2015, first year students be trained in the online registration process earlier than May.

The annual meeting for the providers of qualifications for pharmacist's assistants was held on 31 January 2014. Various matters regarding education and training were discussed and, among others, included:

- recognition of prior learning (RPL)
- pharmaceutical sales representation qualification
- providers of pharmacy technical assistant and pharmacy technician qualifications
- authorised pharmacist prescriber
- specialities for pharmacists
- procedure for upgrading pharmacist's assistants (basic and post-basic) to become pharmacy technical assistants and pharmacy technicians
- development of a qualification for a pharmacy general assistant (PGA)
- good pharmacy education standards
- appointment of new evaluators of courses
- online registration system.

Further education and training (FET) providers made the following recommendations to Council:

- The staff at the Office of the Registrar be informed about the contents of the guidelines for providers of education and training who wish to deliver the National Certificate: Pharmacist's Assistant, and the Further Education and Training Certificate: Pharmacist's Assistant learning programmes
- The staff at the Office of the Registrar communicate the correct information to the learners as enquiries are lodged
- The Office of the Registrar upload the guidelines and policy on RPL to the SAPC website
- The Office of the Registrar continue informing providers, in writing, of changes made by Council.

Good pharmacy education standards

The first phase of addressing good pharmacy education standards for providers offering qualifications on the NQF level 5 and above was completed in 2014. The standards were published for public comment in the *Government Gazette* in December 2014 and comments will be considered by the Education Committee in 2015. The recommended standards will be published for implementation once Council has approved them.

Accreditation of providers

In 2014 the University of Limpopo (Medunsa Campus): Pharmacy Training and Development Project (PTDP) was re-accredited as a provider of the Further Education and Training Certificate: Pharmacist Assistance: Community Sector, and the Further Education and Training Certificate: Pharmacist Assistance: Institutional Sector.

The *Standard relating to the distance learning mode of delivery for the pharmacy technical assistant and pharmacy technician's programmes* was approved.

The *Criteria for appointment of examiners and moderators* was approved.

Monitoring/accreditation visits for higher education and training (HET) providers

The Office of the Registrar conducted four monitoring visits to HET providers during 2014: University of KwaZulu-Natal (UKZN), University of the Western Cape (UWC), University of Limpopo (Turfloop Campus) and Nelson Mandela Metropolitan University (NMMU).

Monitoring/accreditation visits for further education and training (FET) providers

The Office of the Registrar conducted five monitoring visits to FET providers during 2014: S Buys Academy (Pty); University of Limpopo (Medunsa Campus) Pharmacy Training and Development Project (PTDP); Pharmagenius Academy; Abaluleki Professional Consulting-University of Fort Hare Consortium (APS-UFC) and Pharmacy Health Academy.

Qualifications

Council has developed the qualifications for specialist pharmacists, namely clinical pharmacy, radio pharmacy, and public health pharmacy and management. The qualifications were published in the *Government Gazette* in December 2014 for public comment and the comments will be considered by the Education Committee in 2015. The accreditation of providers of education and training for these qualifications will be implemented following Council's approval.

Training of pharmacy support personnel

A joint meeting of the Education and Practice Committees was held to discuss the pharmacy support personnel and the following recommendations were approved by Council:

- (a) Pharmacist's assistant basic (PAB) and pharmacist's assistant post-basic (PAPB):
- all PAB and PAPB who have completed the qualification by the end of the teach-out period be allowed to remain in the closed register of PAB
 - the standard relating to the distance learning mode be accepted and approved to allow for PAB and PAPB who wish to study further to become pharmacy technical assistants (PTAs) or pharmacy technicians (PTs)
 - a meeting be held between Health and Welfare Sector Education Training Authority (HWSETA), Quality Council for Trade and Occupations (QCTO), National Department of Health and Council to discuss the training of midlevel workers in pharmacy following the QCTO route
 - a letter be written to all learners and responsible pharmacists informing them of the requirements to complete the qualification within 30 months of registration as stipulated in the guidelines for providers of education and training who wish to deliver the National Certificate: Pharmacist Assistance and the Further Education and Training Certificate: Pharmacist Assistance learning programmes
 - the above letter to indicate the consequences of noncompliance, which will lead to deregistration of affected person(s) who will, consequently, not perform the scope of practice of pharmacist's assistant and therefore not be in a position to handle

any medicine.

- (b) Pharmacy general assistants (PGA):
- a task team be appointed to finalise the conversion of the PGA qualification already written in the old format to the QCTO format
 - accredited FET providers be involved in the development of the PGA qualification to the QCTO format.
- (c) Pharmacy technicians (PT) and pharmacy technical assistants (PTA):
- Council and the NDoH to encourage all pharmacy schools, including the universities of technology and the current accredited FET providers, to consider training PTAs and PTs
 - a letter be written to the NDoH requesting them to encourage the provincial health departments and pharmacy schools to consider joint appointments between public institutional facilities and accredited HET providers to facilitate the training of PTAs
 - a letter be written to all the employers, including the NDoH and provincial health departments, to facilitate the creation of positions to absorb all the newly qualified PTs
 - the Education Committee investigate the introduction of a two year professional diploma to replace the current two qualifications (PTA and PT).
- (d) Supplementary training for current pharmacist's assistants to enable them to



Professional Affairs (Education) Department

Financial Management



*Voster Himbotwe
General Manager: Finance*

Strategic focus area

The Financial Management focuses on two strategic objectives of Council:

- Promotion of transparency to the profession and the public.
- Provision of managerial and administrative support for the sustainability of Council as a going concern.

In line with the above strategic focus areas the Office of the Registrar ensures efficient and effective management of Council’s financial resources, fixed assets and business risk mitigation in line with best practices.

In the year under review, the Audit Committee had oversight on financial management controls, and the Board of Trustees had oversight on the governance of the SA Pharmacy Council Pension

the internal and external assurance functions and provided a channel of communication between the external auditors, the outsourced internal audit and management.

The Audit Committee consisted of five members appointed in terms of the Audit Committee Charter, three of whom were independent professionals, namely Mr T Boltman (outgoing chairperson), Advocate MJ Ralefatane (incoming chairperson) and Professor J Kruger. The two Council members were Messrs PG Kyriacos and JS du Toit.

During the year, the Audit Committee held four meetings (one of which was a teleconference) in line with the Audit Committee Charter.

Pension Fund Board

The Council has a post-employment benefit plan, established on 1 July 1977, operated as a separate legal entity in terms of the Pension Funds Act No. 24 of 1956, the South African Pharmacy Council Pension (the Fund). The board oversees the functioning of the Fund which is a separate legal entity to the Council. The board converted the Fund structure fully from defined benefit (DB) to defined contribution (DC) from 28 February 2014. The board finalised the conversion after consultation with employees. The Financial Services Board (FSB) approved the amended rules of the Fund for DC structure.

Under the DC structure, Council’s liability to the Fund is limited to paying contributions.



*Advocate Motlatjo Ralefatane
Chairperson: Audit Committee*

Fund. The treasurer, Ms NP Thipa, liaised with management and signed on behalf of Council for certain threshold financial commitments per supply chain management and investment policies.

Coordination of standing committees of Council

Audit Committee report

The Audit Committee assisted the Council in fulfilling its oversight responsibility by serving as an independent and objective party to monitor and strengthen the objectivity and credibility of financial reporting processes and internal control systems. The Audit Committee appraised



*Nocawe Thipa
Treasurer*



*Prof Mano Chetty
Chairperson: Trustees
Committee (Board)*

The reasons that necessitated the conversion of the Fund are:

- (a) DB is not compatible with the cost to company salary structure in that there is cross subsidisation on contributions made by members into the fund. Consequently, two employees employed on the same date with the same salary but different ages would have different fund values
- (b) DB exposes Council, not the Fund, to the risk of being sued by members whose contributions are used to subsidise other members
- (c) the Council as employer carries the risk of funding any shortfall or deficit in perpetuity arising from actuarial valuation in terms of the Pension Funds Act No. 24 of 1956.

The audited financial statements of the Fund were prepared timeously and approved by FSB.

The Fund general and government information is as follows:

Principal Officer:

Mr V Himbotwe

Administrator:

ABSA Consultants and Actuaries (Pty) Ltd

Valuator:

Ms L Langner

Auditors:

Geyser & Du Plessis

Investment manager:

Old Mutual

Employer representatives:

Prof M Chetty (Chairperson)

Ms NP Thipa

Mr TA Masango

Ms H Hayes (Alternate)

Employee representatives:

Mr NJ Mashishi

Ms MM Mokoena

Mr D Nkuna

Ms F Ngoveni (Alternate)

Promotion of transparency to the profession and the general public

The core values of the Council embrace the principles of good corporate governance, as espoused in the King III Report on Corporate Governance for South Africa.

Councillors

Council members meet four times annually and are responsible for preparing financial statements, monitoring executive management, and exercising control over the organisation's activities. The roles of the president and the chief executive officer are separate in accordance with the King recommendations. The president holds a non-executive office. Council members set the overall policy for the organisation and make decisions on matters of strategic importance.

Financial Statements

Council members are responsible for the preparation of annual financial statements that fairly present the financial position of the organisation and the results of its operations and cash flow information for the year then ended. The auditors, OMA Chartered Accountants Inc. (OMA), are responsible for independently auditing and reporting on the financial statements. Their report is presented on page 42. In preparing the financial statements the Council applied judgment and estimates, and adhered to International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs).

Audit Committee

The Audit Committee is an independent committee established to provide oversight and additional assurance on the reliability and integrity of both financial and non-financial activities of Council. The Audit Committee was satisfied that the annual financial statements for the year 2014 fairly present Council's financial position and recommended that Council members approve the annual financial statements. The report of the Audit Committee is on page 37.

Code of conduct

Council is committed to an exemplary standard of business ethics and transparency in all its dealings with stakeholders. Both Council members and employees are bound by a code of conduct. Conflict of interest is avoided during Council meetings. Gifts received, if accepted, are declared in line with good corporate governance.

Provision of managerial and administrative support for the sustainability of Council as a going concern

Financial performance indicators

| Description/Year | 2010 | 2011 | 2012 | 2013 | 2014 |
|-----------------------------------------------------------------|------------|------------|-------------|------------|------------|
| Current assets (R) | 7 862 340 | 9 443 139 | 15 358 998 | 12 239 586 | 27 565 715 |
| Current liabilities (R) | 11 112 746 | 12 317 016 | 18 049 631 | 19 813 974 | 31 330 234 |
| Liquidity ratio | 0.71 | 0.77 | 0.85 | 0.62 | 0.88 |
| Income (R) | 32 258 854 | 37 049 391 | 39 160 954 | 54 144 362 | 62 436 396 |
| Expenditure (R) | 32 075 207 | 36 814 079 | 41 109 098 | 54 191 014 | 57 522 292 |
| Total comprehensive income for the year [Surplus/(deficit)] (R) | 183 647 | 235 312 | (1 948 144) | (46 652) | 4 914 104 |

Financial Position

Assets grew by over 50% because of an increase in current assets. Current assets were made of accounts receivable, cash on hand, and short-term deposits on the back of collections of fees for the year 2015 gazetted timely.

Total equity and liabilities grew in line with assets. Equity on account of surplus for the year amounting to R4 914 104, and liabilities in respect of income received in advance from membership fees paid by pharmacies and pharmacists that were due on 2 January and 1 February 2015 respectively.

Consequently, liquidity ratio increased from 0.62 in the prior year to 0.88 at 31 December 2014.

Income

Overall income and expenditure grew by 15.31% and 6.15% respectively resulting in a surplus of R4 914 104. Growth on income emanated from cost recovery adjustment on registration fees, while reduced expenditure in comparison with the year 2013 was because no conference was organised and a reduction in bad debts write-off/provision for doubtful debts. Employee costs included permanent settlement of pension fund open-ended liability on conversion of defined benefit to defined contribution approved by the FSB.

Budgetary control

The budget compilation for the year 2014 was approved at the 16/17 October 2013 Council meeting. Budget performance reports were presented to management, the Executive Committee, the Audit Committee and Council. Respective budget performance reports formed part of the agenda at the various committee meetings.

Supply chain management

Council has adopted a proactive stance towards black economic empowerment. Procurement policies of Council are in support of government policy for the general good in addressing past imbalances. The list of prospective suppliers was updated. The adjudicating committee and tender committee presided on purchases above the value of R30 000 and R300 000 respectively.

Business risk and internal controls assurance

A risk focused internal audit plan for the three years ending 31 December 2016 was developed by internal audit and approved by the Audit Committee. The internal audit function was outsourced to independent auditors, KwinanaEquifin Advisory Services (Pty) Ltd. KwinanaEquifin attended Audit Committee meetings to report on the adequacy of internal controls implemented by management. During the year KwinanaEquifin conducted the following audits and reported to the Audit Committee:

- Human Resources Management
- Legal Services and Professional Conduct
- Governance and Compliance
- Financial Management
- Information Technology
- Marketing and Communication



Finance Department

Report of the Audit Committee

We are pleased to present our report for the financial year ended 31 December 2014.

Introduction

As the incoming chairperson of the Audit Committee of the SAPC, it is my pleasure to present this annual report and, at the same time, thank the former chairperson, Mr Trevor Boltman, for his excellent leadership. I am fortunate to have had the opportunity to serve under his leadership, in particular during the financial year under review, and learned much from his expertise. We thank him for his demonstrated dedication and the invaluable contribution he made to Council during his tenure of office. I am confident that the new members of the committee will continue to contribute positively towards achieving Council's objectives.

Purpose of the annual report

This annual report captures in summary form the activities of the Audit Committee for the financial year 2014, and gives an account of how the committee performed and met its terms of reference (ToR) and key priorities. The ToRs were reviewed and revised, a process which takes place annually.

Audit committee members and attendance

The Audit Committee meets at least three times per annum in accordance with its terms of reference.

During 2014, the committee met four times with attendance recorded in the table below. This demonstrates that there was a satisfactory attendance record for the members of the Committee and therefore all meetings of the Committee were quorate.

| Name of Member | Number of meetings attended 2014 |
|-------------------------------------------------------|----------------------------------|
| Mr Trevor Boltman (chairperson – retired 31 Dec 2014) | 2 |
| Adv. MJ Ralefatane (chairperson – incoming) | 4 |
| Mr PG Kyriacos | 3 |
| Mr JS du Toit | 3 |
| Prof. J Kruger (retired – 31 Dec 2014) | 3 |

Reporting requirements

The committee reported to Council after each meeting.

Audit Committee responsibility

The purpose of the committee is laid down in its ToRs. The committee assists Council in fulfilling its oversight responsibility by serving as an independent and objective party to oversee the establishment and maintenance of an effective system of internal control within Council. The committee monitors and strengthens the objectivity and credibility of Council's financial reporting process, the internal control systems, and supports and appraises the audit efforts of the external auditors and internal audit function, providing an open avenue of communication between the external auditors and the internal audit unit. It ensures there are effective internal audit arrangements in place, reviews the work and findings of internal and external audits, maintains oversight on counter fraud arrangements (including the establishment of whistleblowing systems) and reviews Council's corporate governance and risk management.

The Audit Committee reports that it has complied with its responsibility according to the International Financial Reporting standards appropriate to Council. The committee also reports that it has adopted formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein. During 2014, the committee delivered on the key responsibilities contained in the ToRs.

Compliance with a number of the key responsibilities is evidenced by the following actions:

- Regularly reviewing the corporate risk register, with appropriate challenges to the proposed controls and risk scoring.
- Receiving reports on progress against the internal and external audit plans.
- Approving the external audit's annual fee and work plan.
- Approving the internal audit's annual work plan.
- Reviewing the processes for raising concerns (whistleblowing).
- Overseeing the maintenance of Council's policy framework.
- Conducting the committee's annual performance assessment in line with its ToRs.
- Reviewing the financial reporting.

The committee plans to establish a register of interests and to undertake regular reviews and oversight of Council's register of interests, gifts, hospitality and sponsorships.

Internal and external auditors

The internal audit function during the financial year under review was undertaken by KwinanaEquifin Advisory Services (Pty) Limited and the External Auditors were OMA Chartered Accountants Inc. (OMA). Internal auditors were in attendance at every committee meeting and external auditors attended by invitation or when they were required to present items. The auditors assured the committee of their independence and ethical conduct in the discharge of their functions.

Effectiveness of internal control

The system of internal control is effective and the internal auditors and OMA have not reported any material or non-compliance issues with regard to prescribed policies and procedures. The efficiency and effectiveness of Council's internal controls are evidenced by the unqualified/clean audits achieved during the year.

Evaluation of financial statements

The committee has:

- reviewed and discussed with OMA and the accounting authority the audited annual financial statements
- reviewed OMA's management letter and management responses
- reviewed significant adjustments resulting from the audit.

Going concern basis of accounting

In preparing the financial report, management assessed the ability of Council to continue as a going concern on the basis of the continuity of business operations and meeting its objectives.

Revenue of the SAPC

Council generates its main revenue from membership fees and has the ability to continue meeting its obligations in the foreseeable future. For these reasons, Council continues to adopt the going concern basis in preparing the financial report. We would like to thank all the members who realise the importance of paying their fees and encourage their prevailing positive spirit of ensuring pharmacies have valid and active licences. With the support of the profession, Council is able to grow the pharmacy industry, ensure a professional service to the public, and provide support for innovative pharmaceutical practices.

The regulatory environment and factors impacting the pharmacy industry

There is scarcity of skills in the pharmacy profession and all stakeholders, in both the public and private sectors, need to work towards building pharmacy skills in the country. In 2014 Council was involved in a dispute that unfortunately escalated to litigation. We are pleased to announce the dispute has been resolved. The costs thereof are disclosed in the financial reporting.

Defined contribution pension fund

During the year under review the pension fund was fully converted to a defined contribution fund and the Financial Services Board approved the conversion.

Risk Profile

Management has implemented internal control processes for identifying, evaluating and managing significant risks to the achievement of Council's objectives. The Audit Committee is satisfied that the initiatives are effective in mitigating the identified risks.

Irregularities and the SCM

There were no reports of questionable activities relating to irregularities or non-adherence to the supply chain management policies. The committee concurs and accepts the conclusions of OMA in the annual financial statements and is of the opinion that the audited financial statements be accepted and read together with the report of OMA.

I take this opportunity again to thank the outgoing members of the committee for the commitment shown during the reporting period. I thank management for their dedication and hard work, and Council for being supportive and ensuring a conducive working environment for the committee to discharge its responsibilities. A great deal of work lies ahead and only unity will yield the desired outcome.



Advocate MJ Ralefatane

Chairperson of the Audit Committee

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

General Information

| | |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Country of incorporation and domicile | South Africa |
| Nature of business and principal activities | Pharmacy industry regulator |
| Registered office | 591 Belvedere Street Arcadia Pretoria 0083 |
| Business address | 591 Belvedere Street Arcadia Pretoria 0083 |
| Postal address | Private Bag X40040 Arcadia Pretoria 0007 |
| Bankers | Standard Bank of South Africa Investec Bank Limited |
| Auditors | OMA Chartered Accountants Incorporated Chartered Accountants (S.A.) Registered Auditors |
| Level of assurance | These financial statements have been audited in compliance with the applicable requirements of the Pharmacy Act 53 of 1974 |
| Preparer | The financial statements were internally compiled by: Voster Himbotwe, General Manager: Finance |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Index

The reports and statements set out below comprise the financial statements presented to the South African Pharmacy Council:

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| Statement of Financial Position | 45 |
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| Statement of Changes in Equity | 47 |
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| Notes to the Financial Statements | 53 - 61 |
| The following supplementary information does not form part of the financial statements and is unaudited: | |
| Detailed Income Statement | 62 - 64 |

Preparer

Voster Himbotwe

General Manager: Finance

Published

14 May 2015

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Councillors' Responsibilities and Approval

The Registrar shall keep true and accurate records of all income and expenditure as required by the Pharmacy Act 53 of 1974 and is responsible for the content and integrity of the financial statements and related financial information included in this report. It is the councillors' responsibility to ensure that the financial statements fairly present the state of affairs of the council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The councillors acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong control environment. To enable the councillors to meet these responsibilities, the councillors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The councillors are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The councillors have reviewed the Council's cash flow forecast for the year to 31 December 2015 and, in the light of this review and the current financial position, they are satisfied that the Council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the Council's financial statements. The financial statements have been examined by the Council's external auditors and their report is presented on page 42.

The financial statements set out on pages 53 to 61, which have been prepared on the going concern basis, were approved by the councilors on 14 May 2015 and were signed on its behalf by:



Prof M Chetty (President)



Ms NP Thipa (Treasurer)



Mr TA Masango (Registrar)



CHARTERED ACCOUNTANTS INC.

Report of the independent auditor to the councillors of the South African Pharmacy Council

We have audited the financial statements of South African Pharmacy Council, as set out on pages 53 to 61, which comprise the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Councillors' responsibility for the financial statements

The councillors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and requirements of the Pharmacy Act 53 of 1974, and such internal control as the councillors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material aspects, the financial position of South African Pharmacy Council as at 31 December 2014, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities, and the requirements of the Pharmacy Act 53 of 1974.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 December 2014, we have read the Councillors' Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. This report is the responsibility of the respective preparer. Based on reading this report we have not identified material inconsistencies between this report and the audited financial statements. However, we have not audited this report and accordingly do not express an opinion on this report.

A handwritten signature in black ink, appearing to read 'Osman Moosa', is written over a horizontal line.

**O.M.A Chartered Accountants Incorporated
Registered Auditors**

**Per: Osman Moosa CA (S.A.)
Pretoria
14 May 2015**

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Councillors' Report

The Council members have pleasure in submitting their report on the financial statements of South African Pharmacy Council for the year ended 31 December 2014.

1. Nature of business

The South African Pharmacy Council is a non-profit making statutory body governed by the Pharmacy Act 53 of 1974. The objectives of the Council (as contained in the Act) may be summarised as follows:

1. to assist in the promotion of the health of the population of the Republic;
2. to advise the minister, or any other person, on any matter relating to pharmacy;
3. to promote the provision of pharmaceutical care;
4. to uphold and safeguard the rights of the general public to universally acceptable standards of pharmacy practice; and
5. to establish, develop, maintain and control universally acceptable standards relating to pharmaceutical education and training, registration, practice and professional conduct.

There have been no material changes to the nature of the Council's business from the prior year.

2. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Pharmacy Act 53 of 1974. The accounting policies have been applied consistently compared to the prior year. Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

3. Councillors

| Councillors | Office | End of term | |
|--------------------------------|---------------------------------|-------------|---------------------------|
| Prof Manoranjenni Chetty | President | 31/12/2018 | Appointed 01 January 2014 |
| Mr Douglas James Heaslet Defty | Vice President | 31/12/2018 | Appointed 01 January 2014 |
| Ms Nocawe Portia Thipa | Treasurer | 31/12/2018 | Appointed 01 January 2014 |
| Mr Gavin Stewart Steel | Representative from NDoH | 31/12/2018 | Appointed 01 January 2014 |
| Prof Roderick Bryan Walker | Education Committee Chairperson | 31/12/2018 | Appointed 01 January 2014 |
| Mr Vusi Cornelias Dlamini | Health Committee Chairperson | 31/12/2018 | Appointed 01 January 2014 |
| Ms Lizette Roets | CPI Chairperson | 31/12/2018 | Appointed 01 January 2014 |
| Mr Rajatheran Moodley | CII Chairperson | 31/12/2018 | Appointed 01 January 2014 |
| Mr Hezron Tshepo Mphaka | Practice Committee Chairperson | 31/12/2018 | Appointed 01 January 2014 |
| Dr Panjasaram Naidoo | CPD Committee Chairperson | 31/12/2018 | Appointed 01 January 2014 |
| Mr Ayanda Soka | | 31/12/2018 | Appointed 01 January 2014 |
| Mr Gaoboihe Jonas Kgasane | | 21/10/2013 | Appointed 01 January 2014 |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

| | | |
|--------------------------------|-----------------------|---------------------------|
| Mr Charles John Cawood | 31/12/2018 | Appointed 01 January 2014 |
| Mr Panajiotaki George Kyriacos | 31/12/2018 | Appointed 01 January 2014 |
| Mr Tshuba Solomon Rasekele | 31/12/2018 | Appointed 01 January 2014 |
| Ms Letty Mahlangu | 31/12/2018 | Appointed 01 January 2014 |
| Mr Johannes Albertus Raats | 31/12/2018 | Appointed 01 January 2014 |
| Ms Jacqueline Ann Maimin | 31/12/2018 | Appointed 01 January 2014 |
| Ms Helen Catherine Hayes | 31/12/2018 | Appointed 01 January 2014 |
| Mr Mathys Jacobus Snyman | 31/12/2018 | Appointed 01 January 2014 |
| Mr Johannes Stephanus du Toit | 31/12/2018 | Appointed 01 January 2014 |
| Prof Shirley-Anne Boschmans | 31/12/2018 | Appointed 01 January 2014 |
| Ms Rachel Verity Wrigglesworth | 31/12/2018 | Appointed 01 January 2014 |
| Ms Claudette Norina Jasson | 31/12/2018 | Appointed 01 January 2014 |
| Ms Sphiwe Dorris Mayinga | 31/03/2014 (Resigned) | Appointed 01 January 2014 |

4. Events after the reporting period

The councillors are not aware of any event which occurred after the reporting date and up to the date of this report that has a material effect on the financial statements.

5. Going concern

The councillors believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the financial statements have been prepared on a going concern basis. The councillors have satisfied themselves that the Council is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The councillors are not aware of any new material changes that may adversely impact the council. The councillors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

6. Auditors

OMA Chartered Accountants Incorporated continued in office as auditors for the Council for 2014.

At the Council meeting, the Registrar will be requested to reappoint OMA Chartered Accountants Incorporated as the independent external auditors of the Council and to confirm Mr Osman Moosa as the designated lead audit partner for the 2015 financial year.

7. Audit committee

The audit committee is constituted in terms of the requirements of sound corporate governance practices and operates within that framework. The committee consists of non-executive members of which two are councillors and three are independent professionals with accounting, auditing and legal backgrounds. The committee meets at least three times a year.

The primary responsibility of the committee is to assist the councillors in carrying out their duties relating to the Council's accounting policies, internal control systems, financial reporting and practices. The external auditors formally report to the committee on critical findings arising from audit activities.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Statement of Financial Position as at 31 December 2014

| | Note(s) | 2014 R | 2013 R |
|-------------------------------------|---------|-------------------|-------------------|
| Assets | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 2 | 11 813 555 | 8 787 390 |
| Intangible assets | 3 | 1 147 178 | 1 602 637 |
| Retirement benefit asset | 4 | - | 1 417 000 |
| | | 12 960 733 | 11 807 027 |
| Current Assets | | | |
| Trade and other receivables | 5 | 10 491 437 | 6 529 655 |
| Cash and cash equivalents | 6 | 17 074 278 | 5 709 931 |
| | | 27 565 715 | 12 239 586 |
| Total Assets | | 40 526 448 | 24 046 613 |
| Equity and Liabilities | | | |
| Equity | | | |
| Retained income | | 9 138 308 | 4 224 204 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Finance lease obligation | 7 | 57 906 | 8 435 |
| Current Liabilities | | | |
| Finance lease obligation | 7 | 233 942 | 40 259 |
| Trade and other payables | 9 | 28 424 091 | 18 474 603 |
| Provisions | 8 | 2 672 201 | 1 299 112 |
| | | 31 330 234 | 19 813 974 |
| Total Liabilities | | 31 388 140 | 19 822 409 |
| Total Equity and Liabilities | | 40 526 448 | 24 046 613 |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Statement of Comprehensive Income

| | | 2014 | 2013 |
|-------------------------------------------------------|----------------|------------------|------------------|
| | Note(s) | R | R |
| Revenue | 10 | 61 400 500 | 52 249 452 |
| Other income | 11 | 230 951 | 1 459 447 |
| Operating expenses | | (57 197 662) | (51 813 584) |
| Operating profit | 12 | 4 433 789 | 1 895 315 |
| Investment revenue | 13 | 804 945 | 435 463 |
| Finance costs | 14 | (324 630) | (2 377 430) |
| Profit (loss) for the year | | 4 914 104 | (46 652) |
| Other comprehensive income | | - | - |
| Total comprehensive income (loss) for the year | | 4 914 104 | (46 652) |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Statement of Changes in Equity

| | Retained income R | Total equity R |
|------------------------------------------------|----------------------|-------------------|
| Balance at 01 January 2013 | 4 270 856 | 4 270 856 |
| Loss for the year | (46 652) | (46 652) |
| Other comprehensive income | - | - |
| Total comprehensive loss for the year | (46 652) | (46 652) |
| Balance at 01 January 2014 | 4 224 204 | 4 224 204 |
| Profit for the year | 4 914 104 | 4 914 104 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | 4 914 104 | 4 914 104 |
| Balance at 31 December 2014 | 9 138 308 | 9 138 308 |

Note(s)

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Statement of Cash Flows

| | Note(s) | 2014 R | 2013 R |
|---------------------------------------------|----------|--------------------|--------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 16 | 16 199 475 | 2 898 846 |
| Interest income | | 804 945 | 435 463 |
| Finance costs | | (6 294) | (2 266 573) |
| Net cash from operating activities | | 16 998 126 | 1 067 736 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 2 | (4 887 013) | (1 654 515) |
| Sale of property, plant and equipment | 2 | 35 287 | 38 955 |
| Purchase of other intangible assets | 3 | (706 872) | (631 299) |
| Net cash from investing activities | | (5 558 598) | (2 246 859) |
| Cash flows from financing activities | | | |
| Finance lease payments | | (75 182) | (202 876) |
| Total cash movement for the year | | 11 364 346 | (1 381 999) |
| Cash at the beginning of the year | | 5 709 931 | 7 091 931 |
| Total cash at end of the year | 6 | 17 074 277 | 5 709 932 |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Pharmacy Act 53 of 1974. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make judgements, estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results in the future could differ from these estimates which may be material to the financial statements.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that management have made in the process of applying the company accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Other estimates made

The Council makes estimates for:

- the calculation of finance lease present values; and
- the determination of useful lives and residual values of items of property plant and equipment

1.2 Property, plant and equipment

Property, plant and equipment are tangible items that:

- are held for use in the production or supply of goods or services, for rental to others or for administrative purposes; and
- are expected to be used during more than one period.

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Accounting Policies

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment, which is as follows:

| Item | Average useful life |
|-----------------------------------------------------|---------------------|
| Land | indefinite |
| Buildings | 20 years |
| Furniture and fixtures | 10 years |
| Motor vehicles | 4 years |
| Office equipment | 5 years |
| IT equipment | 3 years |
| Cellphones & tablets (included in office equipment) | 2 years |

1.2 Property, plant and equipment (continued)

Land is not depreciated as it is deemed to have an indefinite life.

The carrying value of property and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The residual values and useful lives of each asset are reviewed at each financial period.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss in the period.

1.3 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are initially recognised at cost.

All research and development costs are recognised as an expense unless they form part of the cost of another asset that meets the recognition criteria.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date if there are indicators present that there is a change from the previous estimate.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item | Useful life |
|------------------------------------------|-------------|
| Computer software | 2 years |
| Register (included in computer software) | 5 years |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Accounting Policies

1.4 Financial instruments

Initial measurement

The Council classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Finance leases – lessee

Finance leases are recognised as assets and liabilities in the statement of financial position at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

The lease payments are apportioned between the finance charge and reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate on the remaining balance of the liability.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term except in cases where another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the receipt of payments is not on that basis, or where the payments are structured to increase in line with expected general inflation.

1.6 Impairment of assets

The council assesses at each reporting date whether there is any indication that an asset may be impaired.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Accounting Policies

1.7 Employee benefits

Defined contribution plans

Under defined contribution plan the Council's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. Consequently, the actuarial risk that benefits will be less than expected and the investment risk that assets invested will be insufficient to meet expected benefits is borne by employees.

Council operates a defined contribution plan, the assets of which are held in a separate trustee-administered fund. The benefits payable by the fund in the future, due to retirements and withdrawals from the fund, are contributions by members to fund together with fund interest at a rate determined by the valuator with the consent of the trustees. The rate is so determined that the value of total of the fund shall not exceed the value of the total assets of the fund. Council's contribution to the plan is charged to the income statement when incurred.

Defined benefit plans

For defined benefit plans the cost of providing the benefits is determined using the projected unit credit method.

Past service costs are recognised immediately as an expense.

Actuarial gains or losses are recognised in profit or loss.

1.8 Provisions and contingencies

Provisions are recognised when:

- the company has an obligation at the reporting date as a result of a past event;
- it is probable that the company will be required to transfer economic benefits in settlement; and
- the amount of the obligation can be estimated reliably.

Contingencies are disclosed in note.

1.9 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Interest is recognised, in profit or loss, using the effective interest rate method.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

| | 2014 | | | 2013 | | |
|------------------------|-------------------|------------------------------------------|-------------------|-------------------|------------------------------------------|------------------|
| | Cost / Valuation | Accumulated depreciation and impairments | Carrying Value | Cost/Valuation | Accumulated depreciation and impairments | Carrying Value |
| Land | 600 000 | - | 600 000 | 600 000 | - | 600 000 |
| Buildings | 12 608 780 | (5 107 458) | 7 501 322 | 10 254 952 | (4 557 349) | 5 697 603 |
| Furniture and fixtures | 2 082 161 | (1 052 041) | 1 030 120 | 1 974 145 | (951 504) | 1 022 641 |
| Motor vehicles | 357 456 | (195 943) | 161 513 | 155 220 | (155 219) | 1 |
| Office equipment | 1 839 156 | (915 736) | 923 420 | 1 237 010 | (791 355) | 445 655 |
| IT equipment | 3 510 717 | (1 913 537) | 1 597 180 | 2 541 627 | (1 520 137) | 1 021 490 |
| Total | 20 998 270 | (9 184 715) | 11 813 555 | 16 762 954 | (7 975 564) | 8 787 390 |

Reconciliation of property, plant and equipment- 2014

| | Opening balance | Additions | Disposals | Depreciation | Total |
|-------------------------------|------------------|------------------|-----------------|--------------------|-------------------|
| Land | 600 000 | - | - | - | 600 000 |
| Buildings | 5 697 603 | 2 355 312 | (93) | (551 500) | 7 501 322 |
| Furniture and fixtures | 1 022 641 | 192 880 | (6 644) | (178 757) | 1 030 120 |
| Motor vehicles | 1 | 202 236 | - | (40 724) | 161 513 |
| Office equipment | 445 655 | 920 619 | (53 880) | (388 974) | 923 420 |
| IT equipment | 1 021 490 | 1 215 966 | (22 337) | (617 939) | 1 597 180 |
| | 8 787 390 | 4 887 013 | (82 954) | (1 777 894) | 11 813 555 |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

Reconciliation of property, plant and equipment- 2013

| | Opening balance | Additions | Disposals | Depreciation | Total |
|--------------------------------------------------------------|--------------------|------------------|-----------------|--------------------|------------------|
| Land | 600 000 | - | - | - | 600 000 |
| Buildings | 5 608 061 | 581 660 | - | (492 118) | 5 697 603 |
| Furniture and fixtures | 1 102 779 | 98 683 | (7 603) | (171 218) | 1 022 641 |
| Motor vehicles | 1 | - | - | - | 1 |
| Office equipment | 590 142 | 154 236 | (19 503) | (279 220) | 445 655 |
| IT equipment | 697 041 | 819 936 | (15 165) | (480 322) | 1 021 490 |
| | 8 598 024 | 1 654 515 | (42 271) | (1 422 878) | 8 787 390 |
| Assets subject to finance lease (Net carrying amount) | | | | | |
| Office equipment | | | | 244 671 | 34 095 |

Details of properties

Land and buildings are situated at 591 Belvedere Street, Arcadia, Pretoria.

The title deed number to the property is Erf 1470, Arcadia, Pretoria in the extent of 1708 (one thousand seven hundred and eight) square meters.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

| | 2014 | 2013 |
|--|------|------|
| | R | R |

3. Intangible assets

| | 2014 | | | 2013 | | |
|-------------------|------------------|--------------------------|----------------|------------------|--------------------------|----------------|
| | Cost / Valuation | Accumulated amortisation | Carrying value | Cost / Valuation | Accumulated amortisation | Carrying value |
| Computer software | 4 389 156 | (3 241 978) | 1 147 178 | 3 682 283 | (2 079 646) | 1 602 637 |

Reconciliation of intangible assets - 2014

| | Opening balance | Additions | Amortisation | Total |
|-------------------|-----------------|-----------|--------------|-----------|
| Computer software | 1 602 637 | 706 872 | (1 162 331) | 1 147 178 |

Reconciliation of intangible assets - 2013

| | Opening balance | Additions | Amortisation | Total |
|-------------------|-----------------|-----------|--------------|-----------|
| Computer software | 1 902 302 | 631 299 | (930 964) | 1 602 637 |

4. Retirement benefits

Defined contribution plan

The Council has a post-employment benefit plan, established on 1 July 1977, operated as a separate legal entity in terms of the Pension Funds Act No. 24 of 1956, the South African Pharmacy Council Pension (the Fund).

As at 1 July 2010 the structure of the Fund changed from defined benefit plan (DB) to defined contribution plan (DC) whereby all new employees after 1 July 2010 were on DC.

The Council fully converted the whole Fund to DC as at 28 February 2014 after amending the rules and approval of the Financial Services Board (FSB).

The council liability to the Fund is limited to paying contributions. Employer contributions are charges against income when incurred.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements**Carrying value**

| | | |
|-----------------------------------------------------------------------------------------|--------------|--------------------|
| Present value of the defined benefit obligation wholly funded | (30 432 000) | (28 452 000) |
| Fair value of plan assets | 32 124 000 | 29 869 000 |
| Fund Conversion - Portion related to Pensioners and Contribution plan performance | (1 692 000) | - |
| | - | 1 417 000 |
| Reconciliation of opening and closing balances of the defined benefit obligation | | |
| Opening balance | (1 417 000) | 3 422 000 |
| Contributions by members | (796 000) | (3 903 000) |
| Fund Conversion - Portion related to Pensioners and Contribution plan performance | 1 692 000 | - |
| Net expense recognised in profit or loss | 521 000 | (936 000) |
| | - | (1 417 000) |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

| | 2014 | 2013 |
|----------------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| | R | R |
| Net expense recognised in profit or loss | | |
| Current service cost | 506 000 | 4 023 000 |
| Defined contribution contributions | 159 000 | - |
| Interest cost | 422 000 | 2 257 000 |
| Actuarial (gains) losses | (1 183 000) | (5 246 000) |
| Settlement gain | 1 055 000 | - |
| Expected return on plan assets | (438 000) | (1 970 000) |
| | 521 000 | (936 000) |
| Key assumptions used | | |
| Discount rates used | 8,50 % | 9,00 % |
| Expected rate of return on assets | 8,50 % | 9,00 % |
| Expected rate of general inflation | 6,20 % | 6,20 % |
| Expected increase in salaries | 7,20 % | 7,20 % |
| Assumptions regarding mortality are based on published tables and are consistent with previous statutory valuations. | | |
| 5. Trade and other receivables | | |
| Trade receivables | 10 432 058 | 5 893 106 |
| Deposits | 11 822 | 29 556 |
| VAT | - | 606 993 |
| Other receivable | 47 557 | - |
| | 10 491 437 | 6 529 655 |
| 6. Cash and cash equivalents | | |
| Cash and cash equivalents consist of: | | |
| Cash on hand | 3 324 | 2 509 |
| Bank balances | 13 880 010 | 3 765 531 |
| Short-term deposits | 3 190 944 | 1 941 891 |
| | 17 074 278 | 5 709 931 |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

7. Finance lease obligation

Minimum lease payments due

| | | |
|------------------------------------------------|----------------|---------------|
| - within one year | 461 268 | 65 686 |
| - in second to fifth year inclusive | 68 941 | 10 631 |
| | 530 209 | 76 317 |
| less: future finance charges | (238 361) | (27 623) |
| Present value of minimum lease payments | 291 848 | 48 694 |
| Non-current liabilities | 57 906 | 8 435 |
| Current liabilities | 233 942 | 40 259 |
| | 291 848 | 48 694 |

8. Provisions

Reconciliation of provisions – 2014

| | Opening balance | Additions | Total |
|--------------------------|------------------|------------------|------------------|
| Legal proceedings | - | 1 245 625 | 1 245 625 |
| Provisions for leave pay | 1 299 112 | 127 464 | 1 426 576 |
| | 1 299 112 | 1 373 089 | 2 672 201 |

Reconciliation of provisions – 2013

| | Opening balance | Additions | Total |
|--------------------------|-----------------|-----------|-----------|
| Provisions for leave pay | 1 192 029 | 107 083 | 1 299 112 |

9. Trade and other payables

| | | |
|--------------------------------------|-------------------|-------------------|
| Trade payables | 392 327 | 1 658 858 |
| Income received in advance | 27 148 831 | 16 729 545 |
| VAT | 765 613 | - |
| Other payables- Department of Health | 117 320 | 86 200 |
| | 28 424 091 | 18 474 603 |

10. Revenue

| | | |
|------------------------------|-------------------|-------------------|
| Annual and registration fees | 52 097 185 | 39 556 596 |
| Rendering of services | 395 041 | 41 686 |
| Other revenue | 8 908 274 | 12 651 170 |
| | 61 400 500 | 52 249 452 |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

11. Other income

| | | |
|--------------------------|----------------|------------------|
| Sponsorship | 91 638 | 1 459 447 |
| Other income | 68 020 | - |
| Insurance claim received | 71 293 | - |
| | 230 951 | 1 459 447 |

12. Operating profit

Operating profit for the year is stated after accounting for the following:

| | | |
|-----------------------------------------------|------------|------------|
| Property, plant and equipment | (47 667) | (3 316) |
| Depreciation on property, plant and equipment | 2 940 224 | 2 353 840 |
| Employee costs | 35 515 577 | 26 631 176 |
| Research and development costs | 82 450 | 68 828 |

13. Investment revenue

Interest revenue

| | | |
|------|---------|---------|
| Bank | 804 945 | 435 463 |
|------|---------|---------|

14. Finance costs

| | | |
|--------------------------|----------------|------------------|
| Retirement fund interest | - | 2 257 000 |
| Finance leases | 318 336 | 110 857 |
| Bank | 6 294 | 9 573 |
| | 324 630 | 2 377 430 |

15. Auditors' remuneration

| | | |
|------|---------|---------|
| Fees | 146 400 | 170 949 |
|------|---------|---------|

16. Cash generated from operations

| | | |
|-------------------------------|-----------|----------|
| Profit (loss) before taxation | 4 914 104 | (46 652) |
|-------------------------------|-----------|----------|

Adjustments for:

| | | |
|--------------------------------|-----------|-----------|
| Depreciation and amortisation | 2 940 224 | 2 353 840 |
| Loss on sale of assets | 47 667 | 3 316 |
| Interest received - investment | (804 945) | (435 463) |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Notes to the Financial Statements

| | | |
|--------------------------------------------------------|-------------------|------------------|
| Finance costs | 324 630 | 2 377 430 |
| Movements in retirement benefit assets and liabilities | 1 417 000 | (4 839 000) |
| Movements in provisions | 1 373 089 | 107 083 |
| Changes in working capital: | | |
| Trade and other receivables | (3 961 782) | 1 737 412 |
| Trade and other payables | 9 949 488 | 1 640 880 |
| | 16 199 475 | 2 898 846 |

17. Commitments

Authorised capital expenditure

Committed but not contracted

- Property, plant and equipment

| | |
|-----------|-----------|
| 3 985 000 | 5 664 234 |
|-----------|-----------|

This committed expenditure relates to plant and equipment and will be financed by funds internally generated.

Operating leases – as lessee (expense)

Minimum lease payments due

| | | |
|-------------------------------------|---------|---------|
| - within one year | 461 268 | 658 575 |
| - in second to fifth year inclusive | 68 941 | 61 457 |

| | |
|----------------|----------------|
| 530 209 | 720 032 |
|----------------|----------------|

18. Related parties

Relationships

Key management personnel are those members having authority and responsibility for planning, directing and controlling the activities of the Council. Key management personnel include the councillors, committee members and the Registrar.

Related party balances and transactions with persons with control, joint control or significant influence over the Council

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Related party transactions

| | | |
|---------------------------------------|-----------|---------|
| Allowances | 321 578 | 186 966 |
| Committee meeting expenses | 245 995 | 196 824 |
| Council and sub-committee member fees | 326 088 | 416 184 |
| Election expenses | - | 379 733 |
| Locum fees | 91 359 | 85 095 |
| Preparation fees | 74 411 | 185 802 |
| Transport | 1 121 986 | 692 469 |

19. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

20. Events after the reporting period

There were no adjusting events after the reporting period.

21. Financial risk management

The Council's activities expose it to a variety of financial risks including interest rate risk, credit risk and liquidity risk. The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Council's financial performance.

Risk management is carried out by the senior management under financial policies approved by Council members.

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding from an adequate amount of committed credit facilities. The Council manages liquidity risk through the compilation and monitoring of cash forecasts, as well as ensuring that adequate borrowing facilities are maintained. The maturity profile of the Council's financial instruments is less than 12 months.

Interest rate risk

The Council's interest rate risk arises from the interest payable on operating leases. Interest rate is based on prime.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Council only deposits cash with major banks with high quality credit standing and limits exposure to any one counter party.

As at 31 December 2014, the carrying values of trade payables, cash and accrued expenses are assumed to approximate their fair values due to the short-term maturities of these financial statements.

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Detailed Income Statement

| | Note(s) | 2014 R | 2013 R |
|------------------------------------|---------|-------------------|-------------------|
| Revenue | | | |
| Annual and registration fees | | 52 097 185 | 39 556 596 |
| Examination fees | | 395 041 | 41 686 |
| Other revenue | | 8 908 274 | 12 651 170 |
| | 10 | 61 400 500 | 52 249 452 |
| Other income | | | |
| Sponsorships received | | 91 638 | 1 459 447 |
| Other income | | 68 020 | - |
| Insurance claim received | | 71 293 | - |
| Interest received | 13 | 804 945 | 435 463 |
| | | 1 035 896 | 1 894 910 |
| Expenses (Refer to page 63) | | (57 197 662) | (51 813 584) |
| Operating profit | | 5 238 734 | 2 330 778 |
| Finance costs | 14 | (324 630) | (2 377 430) |
| Profit (loss) for the year | | 4 914 104 | (46 652) |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Detailed Income Statement

| | Note(s) | 2014 R | 2013 R |
|--------------------------------------------|---------|--------------|--------------|
| Operating expenses | | | |
| Advertising | | (651 719) | (367 549) |
| Allowances | | (321 578) | (186 966) |
| Auditors remuneration | 15 | (146 400) | (170 949) |
| Bad debts and provision for doubtful debts | | (1 673 827) | (5 652 682) |
| Bank charges | | (527 450) | (427 761) |
| Cleaning | | (19 560) | - |
| Committee meeting expenses | | (245 995) | (196 824) |
| Computer expenses | | (1 618 368) | (1 234 074) |
| Conferences | | (11 061) | (3 342 373) |
| Consumables | | (82 711) | (100 756) |
| Council and sub-committee member fees | | (326 088) | (416 184) |
| Curriculum development | | (1 166 263) | (922 434) |
| Depreciation, amortisation and impairments | | (2 940 224) | (2 353 840) |
| Disciplinary fees | | (82 784) | (45 045) |
| Election expenses | | - | (379 733) |
| Employee costs | | (35 515 577) | (26 631 176) |
| Interest and penalties – SARS | | (33 366) | - |
| Inspection fees | | (2 855 578) | (2 267 736) |
| Insurance | | (232 842) | (181 818) |
| Lease rentals on operating lease | | (792 495) | (711 228) |
| Legal expenses | | (1 469 725) | (731 079) |
| Legislation review | | - | (102 000) |
| Locum fees | | (91 359) | (85 095) |
| Loss on disposal of assets | | (47 667) | (3 316) |

South African Pharmacy Council

Financial Statements for the year ended 31 December 2014

Detailed Income Statement

| | | |
|--------------------------------|---------------------|---------------------|
| Office expenses | (1 525 938) | (1 516 820) |
| Postage | (551 399) | (521 420) |
| Preparation fees | (74 411) | (185 802) |
| Printing and stationery | (499 668) | (412 392) |
| Repairs and maintenance | (544 534) | (422 206) |
| Research and development costs | (82 450) | (68 828) |
| Security | (343 506) | (212 542) |
| Telephone and fax | (776 841) | (782 935) |
| Training | (379 046) | (136 372) |
| Transport expenses | (1 121 986) | (692 469) |
| Utilities | (445 246) | (351 180) |
| | (57 197 662) | (51 813 584) |

Glossary of Terms

| | | | | | |
|---------------|--------------------------------------------|------------------|-----------------------------------------------------------|---------------|-----------------------------------------------------------------------|
| BPharm | Bachelor of Pharmacy | FSB | Financial Services Board | OMA | A Chartered Accountants company |
| CEO | Chief Executive Officer | GPA | General Pharmacy Assistant | PA | Pharmacist's Assistant |
| CFI | Committee of Formal Inquiry | GPE | Good Pharmacy Education | PALB | Pharmacist's Assistant Learner Basic |
| CII | Committee of Informal Inquiry | GPP | Good Pharmacy Practice | PALPB | Pharmacist's Assistant Learner Post-Basic |
| CMS | Council for Medical Schemes | HET | Higher Education and Training | PharmD | Doctorate in Pharmacy |
| COO | Chief Operating Officer | HR | Human Resources | PT | Pharmacy Technician |
| CPD | Continuing Professional Development | HWSETA | Health and Welfare Sector Education Training Authority | PTA | Pharmacy Technical Assistant |
| CPI | Committee of Preliminary Inquiry | ICPA | Independent Community Pharmacy Association | PSSA | Pharmaceutical Society of South Africa |
| CSP | Community Service Programme | IFRS | International Financial Reporting Standards | QTCO | Quality Council for Trades and Occupations |
| CSR | Communication and Stakeholder Relations | IT | Information Technology | RPL | Recognition of Prior Learning |
| DB | Defined Benefit | LS&PC | Legal Services and Professional Conduct | SAAHIP | South African Association of Hospital and Institutional Pharmacies |
| DC | Defined Contribution | MCC | Medicine Control Council | SAPC | South African Pharmacy Council |
| DoH | Department of Health | Medunsa | Medical University of Southern Africa | SAQA | South African Qualifications Authority |
| EE | Employment Equity | NDoH | National Department of Health | SME | Small and Medium-sized Entities |
| FET | Further Education and Training | NQF | National Qualifications Framework | | |
| FIP | International Pharmaceutical Federation | | | | |

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