



**Government  
of South Australia**

# Pharmacy Regulation Authority SA

## **2019-20 Annual Report**

Pharmacy Regulation Authority SA  
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To:

The Honourable Stephen Wade MLC  
Minister for Health and Wellbeing

This annual report will be presented to Parliament to meet the statutory reporting requirements of *(Health Practitioner Regulation National Law (South Australia) Act 2010)* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the Pharmacy Regulation Authority SA by:

Peter John Halstead

General Manager

Date 10/09/2020

Signature

  
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## From the Chief Executive

The Pharmacy Regulation Authority SA (PRASA) is in its tenth year of operation administering the provisions applying to pharmacy premises of the *Health Practitioner Regulation National Law (South Australia) Act 2010*. PRASA continues its role of approving new pharmacy services providers and pharmacy premises as well as the re-registration of pharmacy premises, pharmacy services providers, pharmacy departments and pharmacy depots in the interests of public safety.

As can be seen from the Financial Statements in this Annual Report, PRASA remains in a financially sound position with full compliance with all auditing requirements.

The year was initially busy as was to be expected and unusual in the changes of foci that were required of PRASA and its staff. PRASA allocated significant time and resources towards planning and implementing the introduction of heightened requirements for registration applications and the associated processes which included revised forms, an increased requirement for supporting documents as well as the necessary assessment procedures to review the supplied information and detail.

PRASA continued its activities related to its visit program for pharmacy premises during the first 8 months of the financial year. On 1 March 2020 the program was halted with the intent to return to visit program activities when it was deemed safe and appropriate for all involved in the process. As of 30 June 2020, the visit program had yet to be re-instated as an on-going activity of PRASA. However, up until early March the focus for the third cycle of the visit program (pharmacy premises are visited randomly based on a 3-year cycle) had been the five key areas of risk PRASA established during its first two cycles of visits. PRASA considers the key areas of risk to be the:

- storage/handling/supply of Schedule 8 medicines
- packing and supply of dose administration aids
- scanning of medicines for supply
- immunisation services
- complex compounding of medicines

All pharmacy premises were compliant with the required standards and guidelines within the truncated reporting period which will allow PRASA to undertake re-registration of these pharmacy premises.

In early March 2020 it became evident that PRASA was operating in a different environment to that which it had experienced at any time previously. Much of what had been day to day activities previously were put on hold and new activities became the norm. Much of the work engaging and cementing the nature of these new activities was undertaken by the PRASA staff working from home during the months of March, April and May 2020. The PRASA office took the initial steps to re-open in early June 2020 with all COVID-19 safe measures in place to protect the staff and the community of South Australia. PRASA actively encouraged members of the community to not attend the PRASA office unless it was absolutely necessary which for the most part was understood and accepted.

With the onset of the COVID-19 pandemic and its implications, PRASA found itself working closely with the Chief Pharmacist SA Health and representative organisations of the profession of pharmacy in South Australia, the Pharmacy Guild SA branch and the Pharmaceutical Society SA Branch, to assure, inform and support pharmacists and pharmacy staff working across the state. PRASA undertook the role of coordinator for the regular contact that was made with pharmacy premises and the associated staff through the extensive use of email. The emails were targeted so as to inform and assist those working in patient facing roles as the community of South Australia came to understand how best to deal with the COVID-19 emergency.

With a financial commitment from the State Government it was possible to undertake the planning for and consideration of the initiatives that it was hoped would enable the continuity of pharmacy services within South Australia in the event of a COVID-19 related event closing one or more pharmacy premises. Also advanced was the necessary planning and commitment to the concept of telepharmacy services that as a method of pharmacy practice could prove invaluable if the current emergency ever gained a foothold in the state. At 30 June 2020 PRASA was in the midst of preparing the Codes and Guidelines that act as guidance as to how telepharmacy services may be delivered in South Australia.

## **Financial operations**

The following matters are noted with respect to the PRASA's financial operations:

- Fees were increased in line with CPI (approximately 1.8%) from 1 October 2019 to cover increasing demands for ongoing review and oversight of pharmacy premises ownership and associated staffing and legal costs.
- PRASA recorded a surplus of \$79,443 during the financial year resulting from an increase in total income of 3.75% and a decrease in total expenditure of 8.11%.
- The most significant variation from the previous reporting period occurred with regard to legal fees which increased significantly due to a substantial increase in matters requiring legal advice.
- No government funds have contributed to reserves.
- In terms of performance against budgetary objectives, the total revenue of \$544,033 which was marginally higher than the budget estimate, due primarily to the increased number of applications for approval of pharmacy premises and pharmacy services providers.
- In 2019-20 ninety-eight percent (98%) of complete applications received an initial approval within five working days of receipt.

## **Staffing**

PRASA had a staff of four at 30 June 2020, with a full time equivalent (FTE) of 2.5. The staff is comprised of the General Manager (a pharmacist), two pharmacists whose responsibilities include assessing applications, managing the database and conducting and the following-up on the findings of the PRASA visit program for pharmacy premises across the state. PRASA has one administrative officer who undertakes administrative duties related to the approval and re-registration of pharmacy premises and the associated pharmacy services providers as well as providing administrative support for the visit program.

Peter Halstead

### **General Manager**

Pharmacy Regulation Authority SA

## Contents

<b>From the Chief Executive .....</b>	<b>3</b>
Financial operations.....	4
Staffing.....	5
<b>Overview: about the agency.....</b>	<b>7</b>
PRASA's strategic purpose.....	7
PRASA's organisational structure.....	8
PRASA's organisational chart.....	8
Our Minister .....	9
PRASA'S Executive team .....	9
Legislation administered by the Authority .....	9
<i>Health Practitioner Regulation National Law (South Australia) Act 2010.....</i>	<i>9</i>
<b>The authority's performance.....</b>	<b>10</b>
Performance at a glance.....	10
The Authority's contribution to whole of Government objectives.....	11
Agency specific objectives and performance .....	11
Employment opportunity programs .....	12
Agency performance management and development systems.....	13
Work health, safety and return to work programs .....	13
Executive employment in the agency.....	14
<b>Financial performance.....</b>	<b>15</b>
Financial performance at a glance .....	15
Consultants disclosure.....	15
Contractors disclosure .....	16
Other financial information .....	17
Risk and audit at a glance.....	17
Strategies implemented to control and prevent fraud.....	17
Public interest disclosure .....	17
<b>Reporting required under any other act or regulation.....</b>	<b>17</b>
Number of public complaints reported .....	18
<b>Appendix: Audited financial statements 2019-20.....</b>	<b>20</b>

## **Overview: about the agency**

### **PRASA's strategic purpose**

#### **Establishment**

PRASA was established pursuant to Part 4 Division 2 section 27 of the Health Practitioner Regulation National Law (South Australia) Act 2010 with the Minister for Health as the responsible Minister.

#### **Vision**

To ensure a safe and effective pharmacy system that is responsive to community needs and interests.

#### **Values**

The Authority's work is framed by the values of independence, high ethical standards, honesty and transparency. The resulting outcomes are benchmarked to ensure ongoing accountability, collaboration, continuous improvement and business processes that are responsive and of quality.

#### **Objectives and functions**

The primary role of PRASA is to administer the Act which provides for the regulation of pharmacy premises, pharmacy departments and pharmacy depots and their operation by pharmacy services providers.

Pursuant to the Act PRASA has the following functions:

- act in the best interests of the South Australian community to ensure pharmacy services providers deliver safe and effective pharmacy services of the highest standard from within pharmacy premises
- ensure that the handling of notifications/complaints received by PRASA has been undertaken in a timely, caring and responsive fashion for the benefit of the South Australian community
- ensure public access to all the relevant information PRASA gathers under its powers is made available to the community in a suitable format
- prepare or endorse codes, standards or guidelines providing the necessary guidance and direction for pharmacy services providers to perform to professional and community expectations
- carry out its regulatory requirements in an efficient and cost-effective manner
- PRASA has carried out its statutory obligations under the Act and the major activities are summarised in this report.

## PRASA's organisational structure

### Authority Membership

PRASA consists of 5 members appointed by the Governor on the nomination of the Minister. One person will be an officer of SA Health, one will be a nomination of each of the Pharmacy Guild of Australia (SA Branch), Pharmaceutical Society of Australia (SA Branch) the Australian Friendly Societies Pharmacies Association and a nomination by the Minister of a person who in their opinion will represent the interests of the public by reason of their expertise and experience

Membership of PRASA to 30 June 2020 was as follows:

Presiding Member – Mr Grant Kardachi, nominee of the Pharmaceutical Society of Australia (SA Branch)

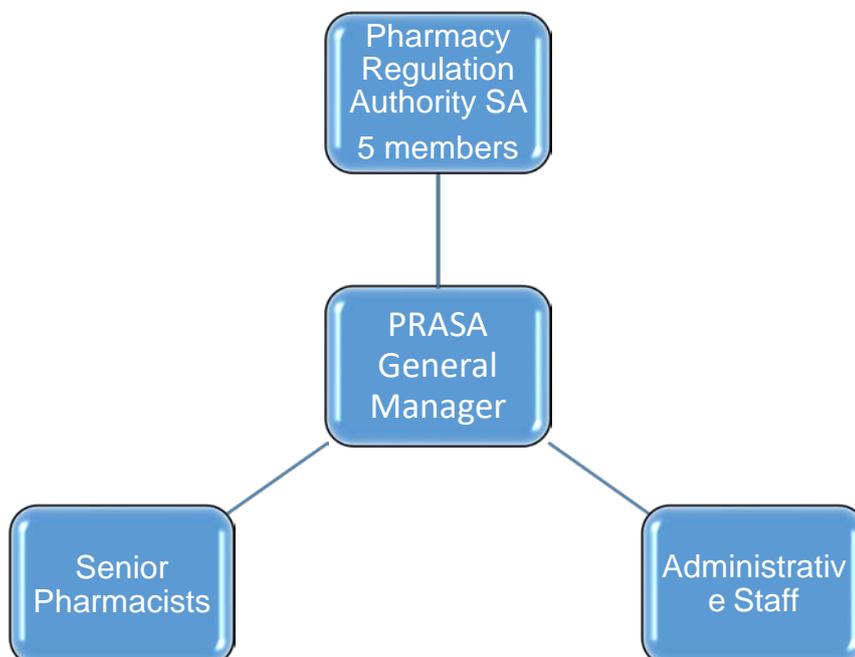
Deputy Presiding Member – Ms Robyn Johns, nominee of the Australian Friendly Societies Pharmacies Association

Ms Judy Smith – nominee of the Minister

Ms Naomi Burgess – officer of SA Health

Mr Ian Todd– nominee of the Pharmacy Guild of Australia (SA Branch).

### PRASA's organisational chart



**Staff of PRASA at 30 June 2020 was as follows:**

General Manager:	Mr Peter Halstead
Senior Pharmacists:	Mr Michael Broadbent Mr Marcus Edwards
Administration Officer:	Ms Tamara Halstead

**Changes to the agency**

During 2019-20 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

**Our Minister**



The Hon Stephen Wade MP, Minister for Health and Wellbeing.

**PRASA'S Executive team**

Peter Halstead is the General Manager of PRASA and is appointed by the members of PRASA. The General Manager has responsibility for:

- the day-to-day operation of PRASA
- delegated authorities in relation to new pharmacy premises and pharmacy services providers and the processes and activities related to the re-registration of pharmacy premises and pharmacy services providers
- the handling of notifications made to PRASA in respect to the delivery of pharmacy services
- the operation of the PRASA inspection program

**Legislation administered by the Authority**

*Health Practitioner Regulation National Law (South Australia) Act 2010*

## The authority's performance

### Performance at a glance

Agency objectives	Indicators	Performance
Applications for initial approval and registration completed within nominated time frame	Completion of applications for approval and initial registration completed within 5 working days of receiving the application	92% of applications were completed in the nominated time frame with the most common reason for non-compliance being the need for further information from the applicant
Re-registration of all entities requiring registration to have occurred by the legislated due date	Completion of all necessary re-registrations to be complete by 1 October 2019	95% complete as of 1 October 2019 with the remaining 5% complete within 20 working days of 1 October and within the allowed for grace period
Continuing quality improvement of pharmacy practices within pharmacy premises as evaluated by the pharmacy premises inspection program	Each calendar year PRASA aims to inspect one third of pharmacy premises in the state. In 2019 PRASA completed inspections of 103 pharmacy premises with the majority of inspections taking place in pharmacy premises located in rural and remote settings. The lowered overall number of inspections is a result of the increased resource implications of inspections conducted in these areas.	<p>The efforts of PRASA and the cooperation of those pharmacy services providers at the various pharmacy premises concerned to reach compliance provides a level of confidence as to the maintenance of appropriate professional standards for the provision of pharmacy services from within pharmacy premises.</p> <p>Pharmacy premises totally compliant at initial inspection: 62</p> <p>Pharmacy premises totally compliant at final inspection: 103</p>

## The Authority’s contribution to whole of Government objectives

Key objective	Agency’s contribution
Raising of the quality of health service provision	<p><b>Contribution</b></p> <p>Contribute to an overall raising of the quality of health service provision such that there is an increased healthy life expectancy of South Australians</p> <p><b>Key strategy</b></p> <p>Profession wide engagement detailing how the community benefits from the provision of pharmacy services of the highest quality and standard as delivered from within pharmacy premises</p>
Investment in critical areas of infrastructure	<p><b>Contribution</b></p> <p>Investment in critical areas of infrastructure with attention paid to the upskilling and training of staff</p> <p><b>Key strategy</b></p> <p>Ensuring the delivery of new and emerging pharmacy services from within pharmacy premises in a manner that pays appropriate attention to the relevant professional and practice standards. Examples of such emerging pharmacy services are the complex compounding of medicines and immunisation services.</p>

## Agency specific objectives and performance

PRASA has developed material suitable for providing the community with an overview of the collated performance of pharmacy premises when evaluated against the publicly available PRASA requirements and guidelines during the PRASA inspection program. The purpose of PRASA’s inspection program is to assist in driving ongoing quality improvement within pharmacy premises.

During its inspection program PRASA visits place a particular emphasis on areas of pharmacy practice where the protection of the community is best served by ensuring the safest possible professional practice environment.

PRASA has been able to identify five key areas that represent the highest level of risk to the community and resulting health outcomes in the delivery of pharmacy services. Details are provided below of the overall outcomes.

In the 2019 calendar year 103 (23%) of South Australian pharmacy premises were evaluated for safety and quality purposes focussing on risk categories as determined

by PRASA. All pharmacy premises visited in 2019 were deemed compliant at the time of completion of the period of review.

The second quarter of 2020 saw PRASA playing an active role in disseminating information as to the nature of measures pharmacy premises would need to employ to best protect the community of South Australia's safety as well as that of the staff working within the pharmacy premises themselves. At the same time PRASA was involved in collaborating to gain South Australian government financial support for an emergency response plan to ensure the continuance of critical community pharmacy services. This plan has seen a model developed that will provide for emergency response teams to operate pharmacy premises for a short period of time which otherwise would have needed to close with the resultant loss in services. This plan aims to particularly support the most at risk pharmacy premises that are likely to be found in rural and remote settings.

### Employment opportunity programs

Program name	Performance
Advanced medical terminology	Enhanced ability of administration support staff to engage with community members concerning matters of medicines and health
Requirements for changes in ownership (recognised pharmacy services provider) of pharmacy premises	Heightened level of understanding and insight into the possible and developing complexity of the governance necessary for oversight of the entities seeking to register to operate existing and new pharmacy premises
Review of complex compounding – certification through established avenues in the United States of America	Providing support for staff involved in professional activities of inspection and investigation to maintain clinical expertise in order to best understand potential notifications/complaints

### Agency performance management and development systems

Performance management and development system	Performance
Regular performance development reviews of all staff	Identification of gaps within the skill set of employees has occurred primarily as a result of the changing nature and complexity of PRASA's operations. Additional resources and expertise have been engaged to develop and implement the systems necessary to support the existing staff. The training and upskilling of staff in these changing systems is ongoing.

### Work health, safety and return to work programs

Program name	Performance
Nil to report	

Workplace injury claims	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Total new workplace injury claims	0	0	0%
Fatalities	0	0	0%
Seriously injured workers*	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0%

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

<b>Work health and safety regulations</b>	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	0	0%
Number of provisional, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0%

<b>Return to work costs**</b>	Current year 2018-19	Past year 2017-18	% Change (+ / -)
Total gross workers compensation expenditure (\$)	0	0	0%
Income support payments – gross (\$)	0	0	0%

\*\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/28bd9876-78e3-4189-8e55-7cead5b90c9c/download/work-health-and-safety-and-return-to-work-performance-prasa-2013-2020.csv>

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
General Manager – EXA	1

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/ce9d0109-8dab-4d4c-a3c3-d24f7e1af2fc/download/executive-employment-in-the-agency-prasa-2012-2020.csv>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2019-20 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>Past year 2018-19 Actual \$000s</b>
Total Income	541	549	8	529
Total Expenses	493	470	23	511
<b>Net Result</b>	<b>48</b>	<b>79</b>	<b>31</b>	<b>18</b>
<b>Total Comprehensive Result</b>	<b>48</b>	<b>79</b>	<b>31</b>	<b>18</b>

<b>Statement of Financial Position</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>Past year 2018-19 Actual \$000s</b>
Current assets	0	627	0	567
Non-current assets	0	35	0	30
<b>Total assets</b>	<b>0</b>	<b>662</b>	<b>0</b>	<b>597</b>
Current liabilities	0	43	0	57
Non-current liabilities	0	145	0	145
<b>Total liabilities</b>	<b>0</b>	<b>188</b>	<b>0</b>	<b>202</b>
<b>Net assets</b>	<b>0</b>	<b>474</b>	<b>0</b>	<b>395</b>

### Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

#### Consultancies with a contract value below \$10,000 each

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Nil to report		\$ 0

**Consultancies with a contract value above \$10,000 each**

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Nil to report		\$ 0
	Total	\$ 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/143d7560-37f6-4423-8f48-692fa4512742/download/consultants-prasa-2012-2020.csv>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

**Contractors disclosure**

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

**Contractors with a contract value below \$10,000**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Nil to report		\$ 0

**Contractors with a contract value above \$10,000 each**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Nil to report		\$ 0
	Total	\$ 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/67827f47-c431-4270-9cdd-cd46e51fc284/download/contractors-prasa-2017-2020.csv>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

## Other financial information

Nil to report

## Risk management

Risk and audit at a glance

Nil to report

## Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil to report	0

*NB: Fraud reported includes actual and reasonably suspected incidents of fraud.*

## Strategies implemented to control and prevent fraud

Regular monthly member review and supervisory oversight from the auditor.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/82f62fb0-4ee8-47c6-a798-accb68c610de/download/fraud-detected-in-the-agency-prasa-2012-2020.csv>

## Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil to report

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/7a3df571-9acc-49bc-83af-3e47e3c27e50/download/public-interest-diclosure-prasa-2012-2012.csv>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
Nil to report	

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2019-20
Professional behaviour	Inappropriate professional interactions between staff and a consumer	Failure to demonstrate values such as a professional attitude, professional clarity with respect to a professional service, empathy, respect and courtesy	1
Professional behaviour	Staff competency	Failure to action service request in a professionally appropriate manner, poorly informed decisions and poor communication of related matters	1
		<b>Total</b>	<b>2</b>

Note: the section below is mandated

Additional Metrics	Total
Number of positive feedback comments concerning PRASA	11
Number of negative feedback comments concerning PRASA	1
Total number of feedback comments concerning PRASA	12
% complaints resolved within policy timeframes	100

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3c29127-3302-4b54-aaf7-60979f11eaba/resource/6c180ee5-03f7-4a46-97f8-4ca1cafeaccd/download/complaints-prasa-2018-2020.csv>

**Service Improvements resulting from complaints or consumer suggestions over 2019-20**

PRASA has been considerably more active in communicating with pharmacy services providers (proprietors), pharmacists and pharmacy staff than it has been in the past during the period of the COVID-19 emergency. A number of suggestions have been made concerning how best to undertake this communication. Given the volume of information and details provided to pharmacy premises during the time of the emergency PRASA has listened to feedback and revised its communications so they are less frequent, shorter but complete with all the information required by professional staff within pharmacy premises to make informed and professionally sound decisions. The leadership of professional staff in pharmacy premises has been and will be critical to ensuring the maintenance of professional services at the highest level of effectiveness during the challenges presented by the current emergency.

## **Appendix:**

### **Audited financial statements 2019-20**



**PHARMACY REGULATION AUTHORITY SA**

**STATEMENT BY OFFICERS OF THE ORGANISATION**

As detailed in Note 1 to the Accounts, the Organisation is not a reporting entity because in the Officers' opinion, there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These Accounts are therefore "Special Purpose Financial Reports" that have been prepared to meet the requirements of the Board of Management (the Members) and Government and other Funding Agencies.

We, Grant Kardachi (Presiding Member) and Robyn Johns (Deputy Presiding Member) hereby state that to the best of our knowledge and belief:

- (a) the accompanying Statement of Financial Position, Statement of Financial Performance and the Notes thereto dated 30th June 2020 comprising the "Special Purpose Financial Reports" present fairly the state of affairs as at that date, and the results of operations for the year then ended;
- (b) there is no body corporate that is a subsidiary of the Organisation within the meaning of Section 46 of the Corporations Law; and
- (c) the Organisation does not act as trustee of any trust.

  
.....  
PRESIDING MEMBER

  
.....  
DEPUTY PRESIDING MEMBER

DATE: 2...1...7/2020

**PHARMACY REGULATION AUTHORITY SA**

**REPORT OF THE BOARD OF MANAGEMENT (The Members)**

In accordance with Section 35 (5) of the Associations Incorporation Act 1985, the Board of Management hereby states that to the best of our knowledge and belief:

- (a) During the financial year ended 30th June 2020, no officer of the Organisation, firm of which the officer is a member, or body corporate in which the officer has a substantial financial interest, has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the organisation; and
- (b) During the year ended 30th June 2020 no officer of the Organisation has received directly or indirectly from the Organisation any payment or other benefit of a pecuniary value (excluding the emoluments as disclosed in the Operating Accounts, or the fixed salary as a full time employee of the Organisation).

  
.....  
**PRESIDING MEMBER**  
Name: Grant Kardachi

  
.....  
**DEPUTY PRESIDING MEMBER**  
Name: Robyn Johns

DATE: 1.9.2020

**PHARMACY REGULATION AUTHORITY SA  
YEAR ENDED 30 JUNE 2020  
STATEMENT OF FINANCIAL PERFORMANCE**

	Notes	2020 \$	2019 \$
<b>INCOME</b>			
Fee Income		544,347.00	525,270.00
Interest Received		731.69	3,268.08
Employee Contributions		-	-
Sundry Income		<u>3,943.74</u>	<u>637.66</u>
<b>TOTAL INCOME</b>		<u>\$ 549,022.43</u>	<u>\$ 529,175.74</u>
<b>EXPENSES</b>			
Audit Fees		5,250.00	4,680.00
Bank Charges		6,527.88	6,049.55
Borrowing Expenses		447.59	447.59
Cleaning		1,840.85	2,956.36
Computer Expenses		16,755.25	22,297.13
Consulting Fees		-	2,727.27
Depreciation		19,608.00	9,835.00
Electricity		2,965.19	3,448.72
Fringe Benefits Tax		6,636.79	7,717.75
Insurance		5,097.19	4,532.05
Interest Paid		2,263.88	2,946.82
Internet & Website Maintenance		2,325.85	2,636.92
Lease of Plant & Equipment		3,455.64	3,358.46
Legal Fees		28,511.71	14,665.64
Licences, Registrations & Subscriptions		6,491.86	4,613.44
Motor Vehicle Expenses		5,057.66	4,495.15
Postage, Printing & Stationery		8,223.68	2,686.58
PRASA Projects & Forum		7,997.60	4,000.00
Rent & Outgoings		33,413.63	35,389.58
Repairs & Maintenance		1,792.08	2,092.60
Staff Amenities		2,758.36	2,522.29
Staff Entitlements - Provision for Annual Leave		6,669.00	9,440.00
Staff Entitlements - Provision for Long Service Leave		7,311.00	45,398.00
Staff Entitlements - Provision for Redundancies	11	-	2,168.00
Staff Training		1,422.73	3,695.69
Superannuation		32,397.55	32,327.57
Sundry Expenses		38.10	339.44
Telephone		3,758.90	3,531.73
Travel & Accommodation		5,437.12	10,413.69
Wages & Board Members' Fees		<u>259,746.35</u>	<u>259,600.95</u>
<b>TOTAL EXPENSES</b>		<u>469,579.44</u>	<u>511,013.97</u>
<b>NET SURPLUS FOR THE YEAR</b>		<u>\$ 79,442.99</u>	<u>\$ 18,161.77</u>

The accompanying notes form part of these financial statements  
This report is to be read in conjunction with the attached audit report

PHARMACY REGULATION AUTHORITY SA  
 STATEMENT OF FINANCIAL POSITION  
 AS AT 30 JUNE 2019

	Notes	2020 \$	2019 \$
<b>CURRENT ASSETS</b>			
Cash & Cash Equivalents	2	624,109.86	561,651.21
Trade & Other Receivables	3	<u>3,319.53</u>	<u>5,207.70</u>
<b>TOTAL CURRENT ASSETS</b>		<u>627,429.39</u>	<u>566,858.91</u>
<b>NON CURRENT ASSETS</b>			
Plant & Equipment	4	<u>34,776.14</u>	<u>29,911.45</u>
<b>TOTAL NON CURRENT ASSETS</b>		<u>34,776.14</u>	<u>29,911.45</u>
<b>TOTAL ASSETS</b>		<u>\$ 662,205.53</u>	<u>\$ 596,770.36</u>
<b>CURRENT LIABILITIES</b>			
Trade & Other Payables	5	43,251.19	56,617.01
Provisions	6	<u>145,041.00</u>	<u>145,683.00</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>188,292.19</u>	<u>202,300.01</u>
<b>TOTAL LIABILITIES</b>		<u>\$ 188,292.19</u>	<u>\$ 202,300.01</u>
<b>NET ASSETS</b>		<u>\$ 473,913.34</u>	<u>\$ 394,470.35</u>
<b>CAPITAL</b>			
Capital	10	83,955.00	83,955.00
Accumulated Surplus		<u>389,958.34</u>	<u>310,515.35</u>
<b>TOTAL CAPITAL</b>		<u>\$ 473,913.34</u>	<u>\$ 394,470.35</u>

The accompanying notes form part of these financial statements  
 This report is to be read in conjunction with the attached audit report

PHARMACY REGULATION AUTHORITY SA  
YEAR ENDED 30 JUNE 2020  
STATEMENT OF CASH FLOWS

	Notes	2020 \$	2019 \$
<b>Cash Flows from Operating Activities</b>			
Cash Receipts from Customers		548,290.74	525,907.66
Cash Paid to Suppliers & Employees		<u>449,715.57</u>	<u>440,444.64</u>
Net Cash used in Operating Activities	7	<u>\$ 98,575.17</u>	<u>\$ 85,463.02</u>
<b>Cash Flows from Investing Activities</b>			
Purchase of Plant & Equipment		(24,472.69)	-
Interest Received		<u>731.69</u>	<u>3,268.08</u>
Net Cash used in Investing Activities		<u>\$(23,741.00)</u>	<u>\$3,268.08</u>
<b>Cash Flows from Financing Activities</b>			
Repayment of borrowings		<u>(12,375.52)</u>	<u>(11,692.58)</u>
Net Cash used in Investing Activities		<u>\$(12,375.52)</u>	<u>\$(11,692.58)</u>
<b>Net Increase in Cash and Cash Equivalents</b>		62,458.65	77,038.52
<b>Cash and Cash Equivalents at the beginning of the period</b>		<u>561,651.21</u>	<u>484,612.69</u>
<b>Cash and Cash Equivalents at the end of the period</b>		<u>\$ 624,109.86</u>	<u>\$ 561,651.21</u>

The accompanying notes form part of these financial statements  
This report is to be read in conjunction with the attached audit report

## PHARMACY REGULATION AUTHORITY SA

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2020

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In the opinion of the Officers, the Organisation is a Non-reporting entity, because there are unlikely to exist users who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, the Accounts are "Special Purpose Financial Reports" that have been prepared solely to meet the requirements of the Board of Management, the Members and Government and other Funding Agencies.

Such Statements of Accounting Concepts and Accounting Standards that apply, have been adopted consistently with previous practice.

The Accounts have been prepared on an accruals basis in accordance with the historical cost convention whereby all Assets have been recorded at the lower of their cost or estimated net realisable value. No adjustments have been made to take into account changing money values or current valuations of Non-Current Assets, or their impact on operating results.

The Organisation is not subject to Income Tax. The Organisation is liable for fringe benefits tax and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the Balance Sheet.

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets, while depreciation is applied to tangible assets such as property, plant and equipment.

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis.

PHARMACY REGULATION AUTHORITY SA  
YEAR ENDED 30 JUNE 2020  
NOTES TO THE ACCOUNTS

	Notes	2020 \$	2019 \$
<b>2 CASH &amp; CASH EQUIVALENTS</b>			
Cash at Bank - Trading Account		3,444.66	10,693.87
Cash at Bank - Savings Account		620,665.20	550,957.34
		<u>\$ 624,109.86</u>	<u>\$ 561,651.21</u>
<b>3 TRADE &amp; OTHER RECEIVABLES</b>			
GST Debtor		2,871.94	4,312.52
Unexpired Borrowing Expenses		447.59	895.18
		<u>\$ 3,319.53</u>	<u>\$ 5,207.70</u>
<b>4 PLANT &amp; EQUIPMENT</b>			
Plant, Equipment & Motor Vehicle		118,228.14	93,755.45
less: Accumulated Depreciation		83,452.00	63,844.00
		<u>\$ 34,776.14</u>	<u>\$ 29,911.45</u>
<b>5 TRADE &amp; OTHER PAYABLES</b>			
Trade Creditors		11,445.74	12,436.04
Loan - Volkswagen Financial Services Australia		31,805.45	44,180.97
		<u>\$ 43,251.19</u>	<u>\$ 56,617.01</u>
<b>6 PROVISIONS</b>			
Provision for Annual Leave		50,099.00	43,430.00
Provision for Long Service Leave		38,087.00	45,398.00
Provision for Redundancies	11	56,855.00	56,855.00
		<u>145,041.00</u>	<u>145,683.00</u>
<b>7 RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Net Surplus		79,442.99	18,161.77
Less: Net Surplus from Investing Activities		731.69	3,268.08
Net Surplus from Operating Activities		78,711.30	14,893.69
Depreciation		19,608.00	9,835.00
Provision for Staff Entitlements		(642.00)	57,006.00
Borrowing Expenses		447.59	447.59
Changes in assets and liabilities			
Decrease in GST Debtor		1,440.58	179.37
Increase/(Decrease) in Trade Creditors		(990.30)	3,101.37
Net Cash provided by Operating Activities		<u>\$ 98,575.17</u>	<u>\$ 85,463.02</u>

These notes are to be read in conjunction with the attached audit report

PHARMACY REGULATION AUTHORITY SA  
 YEAR ENDED 30 JUNE 2020  
 NOTES TO THE ACCOUNTS

	Notes	2020 \$	2019 \$
<b>8 AUDITOR'S REMUNERATION</b>			
The Auditor receives no other remuneration			
<b>9 EMOLUMENTS TO OFFICERS</b>			
No amounts, other than fees for attending meetings, were paid to any Board Members			
<b>10 CAPITAL</b>			
As a result of legislation being passed, The Pharmacy Board of South Australia ceased operations on 30 June 2010. A portion of its assets were transferred to The Pharmacy Regulation Authority SA as initial capital required to assist in its establishment which occurred as a result of the Health Practitioner Regulation National Law (South Australia) Act 2010, Part 4, Division 2, Subdivision 1			
		<u>\$ 83,955.00</u>	<u>\$ 83,955.00</u>

**11 POSSIBLE ABOLITION OF THE ORGANISATION**

On 8th July 2014 the Premier of South Australia, Mr Jay Weatherill, advised the Organisation that it was the intention of the Government to abolish every government board and committee, including all statutory boards unless an exemption from abolition is granted.

As a result of this advice, it was uncertain whether the Organisation would continue its operations into the future.

It was therefore considered prudent that a Provision for Redundancies for staff of the Organisation be established in the event that the Organisation is abolished.

The Provision was established and recognised in the Financial Statements of the Organisation for the Year Ended 30th June 2014.

Since then, the Organisation has been granted exemption from abolition. However, as the exemption is not permanent and can be reviewed in the future, it is considered prudent to maintain the Provision.

