

PHARMACEUTICAL SOCIETY OF WESTERN AUSTRALIA INC.

ANNUAL REPORT 2014

This is the first annual report published by the current Board since the ceding of some of the activities of the Pharmaceutical Society of Western Australia (PSWA) to the Pharmaceutical Society of Australia (PSA).

This change in activities saw PSA assume, and PSWA cease, the provision of professional services to WA pharmacists. It also saw ownership of operating equipment and employment of staff pass to PSA. While ownership of the Subiaco land and building remained with PSWA these premises were taken by PSA on a peppercorn rental accompanied by responsibility for all maintenance and payment of all rates, taxes and insurances. Substantial financial resources, however, remained with and continue to be held by PSWA.

In April the Society's members elected Dean Schulze, Richard Smirk, Jeffery Hughes, Timothy van Bronswijk and Celia Sansom as members of the Board. Bob Brennan was subsequently co-opted as a member.

The Board's first major consideration was whether PSWA remains relevant in today's environment. It concluded that the public, the profession and its members stood to gain from its continued, but more focused, existence.

In order to achieve its aims the Board formed sub-committees during April and developed terms of reference to guide their considerations. The sub-committees are directed at three main areas - Governance, Finance and Risk Management and Performance and Remuneration. After detailed analysis of issues within the scope of their responsibilities they make recommendations for the Board's consideration.

While sub- and advisory committees report to the Board it was deemed that on this occasion their reports be incorporated into this Board report as appendices to allow members an opportunity to better appreciate the volume of work undertaken and achieved by members of the Board.

The merging of service provision operations with PSA has resulted in major change to the very nature of PSWA. It now concerns itself mainly with preservation and utilisation of its assets for the benefit of the profession and its practitioners in the State.

As a result, and despite interim changes, its Constitution was found wanting in several areas. The Board proposed changes to the Constitution which would better enable PSWA to pursue its aims and goals. These changes were approved by the members at a Special General Meeting held in November and subsequently adopted by the Board. The changes received final approval by the Commissioner for Consumer Affairs and we are now operating under this updated Constitution.

This, in turn, led to consideration of the relevance of the J M O'Hara Research Fund. Again, the Board concluded that the public, the profession and its members stood to gain from its continued existence albeit with structural amendment, an aim to provide substantially increased grant amounts and the pursuit of partnerships. This decision identified the necessity to amend the Fund's Charter Deed which was then adopted by the Board.

Subsequently the J M O'Hara Research Fund Committee met to consider applications for project assistance and, while both the committee and the Board would prefer to have had more funds available for grants, the Board felt it responsible to limit funding to one project for the year – a study by Associate Professor Lynne Emmerton entitled “How Can Pharmacists Provide Medication Services To Mining Sites?”– in the amount of \$9613. It is expected that strategies planned by the Board in 2015 will result in the size and number of grants offered in the future being greatly enhanced.

A brief separate report on the Fund's activities and its financial position are available on the Society's website.

The Board also felt that it should have rules for itself. As a consequence it developed a Board Protocol and Code of Conduct which together will guide Board members as to the requirements of their position for years to come. These documents appear on the upgraded website which will continue to receive constant attention. I urge you to look at the website and offer any suggestions you may have for its improvement.

The Society's finances have continued to receive the Board's assiduous attention. I am pleased to report the development of a formal strategy not only to maintain present values, but to increase funds to enable achievement of the Society's vision to be a recognised major facilitator of pharmacy research and practice development in Western Australia. As a first step, external professional help has been engaged to manage funds across a spread of investments which are expected over the next few years to improve our position significantly.

While much has been done much remains to be done. Policies and strategies to provide ongoing practice support, grants, prizes and awards in both university and practice settings and scholarships all will be subjects of your Board's attention in 2015 as will proposals to join with other organizations to produce better outcomes in areas of mutual interest.

Finally, I express my sincere thanks to the Society's secretary, Tracy Routledge, whose tireless efforts on behalf of the members have been astounding. The Board is also indebted to Maureen Carson, the Society's bookkeeper, who continues to serve in excess of expectations. I must mention also the tireless efforts and exemplary meeting attendance of the Board members. It has been an absolute pleasure for me to chair such a talented and enthusiastic group.

Dean Schulze
Chairman

APPENDIX 1 – REPORT OF GOVERNANCE SUB-COMMITTEE

The Governance sub-committee comprises Timothy van Bronswijk (chair), Richard Smirk and the Chairman (*ex officio*).

The purpose of the Governance sub-committee is to:

- Develop an overall governance framework for PSWA that aligns with its vision, mission and strategic initiatives
- Create policies and procedures to support PSWA in achieving its objectives and strategic initiatives
- Create policies and procedures to ensure PSWA maintains compliance with all statutory and reporting obligations
- Conduct periodic reviews of PSWA's policies and procedures, and update them where necessary
- Continually monitor legislative and policy matters relevant to the purposes of the sub-committee and ensure that PSWA remains compliant with all governance requirements.

The Governance sub-committee met three times during 2014. Messrs van Bronswijk and Smirk attended all meetings and the Chairman attended one meeting.

The Governance sub-committee's key achievements for 2014 were:

- Mapping the organisational structure of the PSWA
- Defining the key areas of a governance framework for the PSWA
- Developing Terms of Reference for each of the three sub-committees
- Developing a Board Protocol, Code of Conduct for Board Members and Privacy Policy
- Reviewing the Constitution in respect of eligibility for membership, developing the membership application process and revising the membership application form
- Reviewing the adequacy of existing governance arrangements following a strategic planning meeting to ensure that strategic objectives can be achieved
- Assisting with changes to the Constitution approved by members in November 2014.

During 2015 the Governance sub-committee will continue to develop a comprehensive set of policies and procedures in alignment with the key areas of the governance framework. One of the highest priorities will be a comprehensive review of the policies and governance arrangements surrounding the J M O'Hara Research Fund.

APPENDIX 2 – REPORT OF FINANCE AND RISK MANAGEMENT SUB-COMMITTEE

This sub-committee comprises Celia Sansom (chair), Professor Jeff Hughes, Bob Brennan and the Chairman (*ex officio*).

The purpose of the sub-committee is to:

- Provide financial oversight and establish short and long term financial strategies and policies for PSWA that align with its vision, mission and strategic initiatives
- Create, monitor and if necessary adjust the PSWA budget, including the allocation of funding to PSWA's strategic initiatives
- Prepare and review reports and financial statements for the Board, the annual report and financial regulators to whom PSWA is accountable
- Establish a fixed asset management policy, covering areas such as physical assets, legal considerations and insurances
- Develop and review policies regarding internal and external risk to PSWA
- Monitor risk to PSWA and develop approaches to respond to current and future risks
- Continually monitor legislative and policy matters relevant to the purposes of the sub-committee and ensure that PSWA remains compliant with all governance requirements.

Five meetings were held, most of which were attended by the Chairman in an *ex officio* capacity.

Key achievements for the year were:

- developed and implemented a comprehensive strategy for investment and management of all funds held by the Society
- conducted a review of the Society's liquid assets
- met on several occasions with financial advisors resulting in a portfolio of professionally managed investments
- met bank representatives to re-arrange banking relationship and services
- met fundraising organisations to obtain conceptual advice pertinent to planned fundraising activities
- met representatives of Curtin University regarding possible management of funds belonging to Society and J M O'Hara Research Fund
- developed a comprehensive risk management strategy and implemented associated ongoing procedures
- reviewed and re-arranged insurance policies

APPENDIX 3 – REPORT OF PERFORMANCE REVIEW AND REMUNERATION SUB-COMMITTEE

Professor Hughes (chair), Richard Smirk and the Chairman *ex officio* form this sub-committee.

The purpose of the sub-committee is to:

- to establish policies and procedures relating to the assessment of the performance of the Board, its committees and their respective members and including key performance indicators, frequency of review, review procedures and actions to be taken in cases where performance improvement is required
- to support, recommend and monitor training and development activities relevant to the performance of members of the Board in that role
- to support and monitor the progress of PSWA towards achieving its strategic objectives
- to establish and review the remuneration structure for the Chair and members of the Board for their attendance at Board meetings and for undertaking other Board related duties
- continually monitor legislative and policy matters relevant to the purposes of the sub-committee and ensure that PSWA remains compliant with all governance requirements.

Key achievements for the year were:

- progressed development of a strategic plan that aligns with the Society's vision, mission and strategic initiatives formulated by the Board during the year
- began development of Key Performance Indicators and procedures to assess and monitor targeted areas
- developed a schedule of remuneration for the Board Chair and members.

The bulk of the sub-committee's work lies ahead subject to completion and the Board's adoption of the strategic plan and associated performance assessment and monitoring.