

Report of the Committee and
Unaudited Financial Statements for the Year Ended 31 March 2022
for
Community Pharmacy West Yorkshire (Ops)

Eura Audit UK
Lishman Chambers
12 Princes Square
Harrogate
North Yorkshire
HG1 1LY

Community Pharmacy West Yorkshire (Ops)

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for the Year Ended 31 March 2022

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Community Pharmacy West Yorkshire (Ops)

Report of the Committee for the Year Ended 31 March 2022

We, as the members of the committee present our report with the financial statements for the LPC for the year to 31 March 2022.

We have adopted the recommendations laid out in the PSNC Finance Guide (issued May 2022) and have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our aim is to advance and enhance the role of Community Pharmacy West Yorkshire to ensure we play an active part in promoting health and wellbeing across the county.

Significant activities

Community Pharmacy West Yorkshire (CPWY) is the local organization for community pharmacies and known as the Local Pharmaceutical Committee (LPC).

The LPC is the focus for all community pharmacists and community pharmacy owners and is an independent and representative group. The LPC works locally with NHS England Area Teams, CCGs, Local Authorities and other healthcare professionals to help plan healthcare services.

The LPC negotiates and discusses pharmacy services with commissioners and is available to give advice to community pharmacy contractors and others wanting to know more about local pharmacy.

LPCs liaise closely with their medical equivalent the Local Medical Committee so that GPs and pharmacists can work together to deliver services to patients. LPCs also work closely with Local Dental Committees (LDCs) and Local Optical Committees (LOCs).

There are around 70 LPCs throughout England.

CPWY is therefore the local voice for all community pharmacies (chemists) in West Yorkshire. We represent over 530 pharmacies including single handed independent pharmacies and those owned by bigger chains.

Pharmacies in their area employ in the region of 5000 staff. The NHS and local government consult CPWY on all matters relating to the NHS and public health work which we undertake and facilitate with them.

FINANCIAL REVIEW

General Overview

We planned for a 2021/22 deficit budget to reduce the reserves to reach an end of year position to meet PSNC guidance. At the end of 2021/22 we had an underspend in the budget and showed a net deficit of £285,104. This has been caused mainly due to reduced expenditure in certain areas due to the lack of face-to-face meetings because of COVID-19. We continued to keep a tight control on costs over the year, reviewing all aspects of the LPC to work as efficiently and cost effectively as possible. Our finances remain in balance and are well controlled.

Following a committee meeting on 16th March 2022, the committee agreed that the levy would revert to the 2019 value of £501,000, this follows extensive work on an improved budget setting approach, looking at both levy and non-levy funding and reserves. This follows the past 2 years where we reduced the levy in order to reduce LPC reserves. This sets the levy each contractor pays at an average of 11.4 pence in every £100 (19/20 11p/£100, 20/21 8p/£100, 21/22 9.5p/£100). The average levy per contractor is £938. This is still a reduction on previous years' levies and puts us in an accurate financial position for any recommendations by the Review Steering Group. A large piece of work undertaken to account for and split levy and non-levy funding. As a result of this work £84,700 was transferred from non-levy income to levy income to offset and subsidise the levy charged to contractors. We are committed to keeping the levy to a level that allows PSNC levy to be paid and local representation and services to be maintained.

Our team has managed to secure funding to support community pharmacy during 2021/22. This funding is reflected in the services accounts and includes funding for new services, including an Ear, Nose and Throat (ENT) Assessment service, funding for service support, additional training for pharmacy teams, a pilot to enable access to translation services, a winter resilience scheme (2022/23 winter) in recognition of the variance in GP practice use of GP CPCS and funding to support GP CP relationship building.

Community Pharmacy West Yorkshire (Ops)

**Report of the Committee
for the Year Ended 31 March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

CPWY is controlled by its governing document - the CPWY Constitution and constitutes an unincorporated not-for-profit organization.

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address

Brooklands Court
Tunstall Road
Leeds
West Yorkshire
LS11 5HL

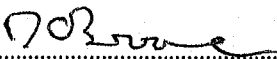
Committee

Mohammed Ikhlaiq (Chair)
Amanda Smith (Vice Chair)
David Broome (Treasurer)
Faisal Ali
Abbas Bashir
Chris Bland
Ashley Cohen
Mohammed Hussain
Zak Laher
Vicki Roberts
Adeel Sarwar
Tom Sargison
Sab Shah
William Chapman (appointed 20.7.21)
Daniel Beaumont (resigned 19.5.21)
Lynne James (resigned 14.7.21)

Accountant

Eura Audit UK
Lishman Chambers
12 Princes Square
Harrogate
North Yorkshire
HG1 1LY

Approved by order of the Committee on17/8/22..... and signed on its behalf by:


.....
David Broome (Treasurer)

Community Pharmacy West Yorkshire (Ops)

**Statement of the Committees' Responsibilities
for the Year Ended 31 March 2022**

The committee members are responsible for preparing the Report of the Committee Members and the financial statements in accordance with applicable law and regulations.

The committee members are required to prepare financial statements for each financial year. The committee members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The committee members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the committee for that period.

In preparing these financial statements, the committee members are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgments and accounting estimates that are reasonable and prudent;
- c) prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the committee will continue in operation.

The committee members are responsible for keeping adequate accounting records that are sufficient to show and explain the committee's transactions and disclose with reasonable accuracy at any time the financial position of the committee. They are also responsible for safeguarding the assets of the committee and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The committee members are responsible for the maintenance and integrity of the financial information included on the committee website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The committee members confirm that so far as they are aware, there is no relevant accounting information of which the committee's accountants are unaware. They have taken all the steps that they ought to have taken as committee members in order to make themselves aware of any relevant accounting information and to establish that the committee's accountants are aware of that information.

**Accountant's Report to the Trustees of
Community Pharmacy West Yorkshire (Ops)**

We report to you in accordance with the terms of our engagement.

Respective responsibilities

As stated within your statement of committee members responsibilities, you acknowledge your responsibility for the financial statements prepared for the purposes of conducting the business of a Local Pharmaceutical Committee (LPC), and for the maintenance of accounting records which reflect and explain the transactions and assets and liabilities arising from your activity as an LPC, in accordance with the PSNC's requirements issued in their May 2022 LPC Finance Guide.

You have also agreed to make available to us all books and records relating to that activity and to provide any further information and explanations as we consider/ are necessary to make our report.

It is our responsibility to report to you on whether, in our opinion, the accounts have been prepared in accordance with the accounting policies as specified in Note 1 to the financial statements.

In addition we report to you on the basis of the procedures carried out by us in the course of our brief, whether anything has come to our attention to indicate that;

- (1) the income figure as stated in the financial statements has not been properly extracted from the books and records relating to your activity as a LPC.
- (2) the books and records maintained by you do not record and explain the transactions, assets and liabilities of your activity as a LPC, consistent with our understanding of that activity, based on discussions with you; and
- (3) the statement of assets and liabilities do not fairly reflect, in all material respects, the assets and liabilities of your activity as a LPC.

Work performed

We carried out those procedures that we considered necessary to enable us to prepare the accounts from your accounting records, together with other information and explanations made available to us.

We have also relied on representations from you that;

- (1) all income has been reflected in the books and records maintained for the purpose of the LPC;
- (2) appropriate accounting records have been maintained by you; and
- (3) the statement of assets and liabilities reflects, in all material respects, all assets and liabilities relating to your activity as an LPC.

Conclusion

In our opinion, the accounts in respect of your activity as an LPC have been prepared in accordance with the accounting policies set out on in note 1, and:

- (1) nothing came to our attention during the course of our work to indicate that the income as stated in the financial statements for the year had not been properly extracted from the books and records maintained for your activity as an LPC.
- (2) nothing came to our attention during the course of our work to indicate that the books and records of the LPC did not reflect the transactions and assets and liabilities arising from this activity; and
- (3) nothing came to our attention during the course of our work to indicate that the statement of assets and liabilities did not fairly present in all material respects the net assets/liabilities arising from your activity as an LPC.

Accountant's Report to the Trustees of
Community Pharmacy West Yorkshire (Ops)

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Date: *1708-2022*

Community Pharmacy West Yorkshire (Ops)

**Income and Expenditure Account
for the Year Ended 31 March 2022**

	Notes	31.3.22 Unrestricted fund £	31.3.21 Total funds £
INCOME			
Investment income	2	85	247
LPC income (see page 11)		<u>295,871</u>	<u>549,495</u>
Total		295,956	549,742
EXPENDITURE ON			
Administration costs (see pages 11 and 12)		<u>581,060</u>	<u>564,132</u>
NET INCOME/(EXPENDITURE)		(285,104)	(14,390)
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>644,424</u>	<u>658,814</u>
TOTAL FUNDS CARRIED FORWARD		<u>359,320</u>	<u>644,424</u>

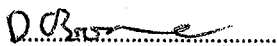
The notes form part of these financial statements

Community Pharmacy West Yorkshire (Ops)

Balance Sheet
31 March 2022

	Notes	31.3.22 Unrestricted fund £	31.3.21 Total funds £
CURRENT ASSETS			
Debtors	4	72,829	96,746
Cash at bank and in hand		<u>293,283</u>	<u>559,010</u>
		366,112	655,756
CREDITORS			
Amounts falling due within one year	5	(6,792)	(11,332)
		<hr/>	<hr/>
NET CURRENT ASSETS		<u>359,320</u>	<u>644,424</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		359,320	644,424
		<hr/>	<hr/>
NET ASSETS		<u>359,320</u>	<u>644,424</u>
FUNDS			
Unrestricted funds		<u>359,320</u>	<u>644,424</u>
TOTAL FUNDS		<u>359,320</u>	<u>644,424</u>

The financial statements were approved by the Committee and authorised for issue on 17.12.22 and were signed on its behalf by:


.....
David Broome (Treasurer)

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

With the exception of some disclosures, the financial statements have been prepared in compliance with FRS 102 Section 1A and under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency and monetary amounts in these accounts are rounded to the nearest pound. The financial statements present information about the committee as a single entity. The following principal accounting policies have been applied:

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that effect the amount reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income

Income is accounted for on the accruals basis. The primary source of income shown in the financial statements consists of levies from NHSBA Contractors in respect of that period.

Expenditure

Expenditure is accounted for on the accruals basis.

Taxation

The organization is exempt from corporation tax on its general activities, with the exception of bank interest received. This is taxed at the prevailing rates of corporation tax.

Depreciation

Depreciation, where applicable, is calculated on a straight-line basis at the following rates:

Long Leasehold Property	2%
Building improvements	2%
Furniture and Fittings	20%
Computer and Office Equipment	25%
Motor Vehicles	25%

Pension costs

The amounts paid during the year are charged to the income and expenditure account.

Operating leases

Rentals in respect of operating leases are charged to the income and expenditure account as incurred.

Financial instruments

The Committee only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors and creditors. Financial assets and liabilities are recognised when the organization becomes a party to the contractual provisions of the instruments.

Debtors and creditors

Basic financial assets and liabilities, including trade debtors, other debtors and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets and liabilities are subsequently carried at amortized cost using the effective interest method, less any impairment.

Going concern

The committee members consider that there are no material uncertainties about the committee's ability to continue as a going concern. In forming their opinion, the committee members have considered a period of one year from the date of signing the financial statements.

Community Pharmacy West Yorkshire (Ops)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

2. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	<u>85</u>	<u>247</u>

3. STAFF COSTS AND BENEFITS

Staff costs consist of:

	2022	2021
Wages and salaries	154,401	160,737
PAYE	23,013	27,874
Social security costs	31,902	35,022
Pension costs	<u>62,483</u>	<u>51,606</u>
	<u>271,799</u>	<u>275,239</u>

The total salaries of the CPWY team were £241,091 (2021: £231,593).

The average monthly number of persons employed during the year was 6 (2021: 6).

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade debtors	71,394	95,311
Prepayments and accrued income	<u>1,435</u>	<u>1,435</u>
	<u>72,829</u>	<u>96,746</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade creditors	6,758	11,239
Taxation and social security	<u>34</u>	<u>93</u>
	<u>6,792</u>	<u>11,332</u>

6. EMPLOYEE BENEFIT OBLIGATIONS

The pension scheme name is Community Pharmacy West Yorkshire Workplace Pension. CPWY will contribute a minimum of 4%. Employees are required to contribute a percentage to ensure the required minimum contribution is met. Employers pension contributions in the year were £25,851 (£24,849 2021)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

7. RELATED PARTY TRANSACTIONS

During the year the following expenses were paid to Committee members:

Amount	2022	2021
	No of Members	No of Members
£0 - £10,000	16	20

Community Pharmacy West Yorkshire (Ops)**Detailed Income and Expenditure Account**
for the Year Ended 31 March 2022

	31.3.22	31.3.21
	£	£
INCOME		
Investment income		
Deposit account interest	85	247
LCP income		
Statutory levy	441,744	381,732
Levy subsidy and reserves	325,501	-
Event support income	(2,228)	1,178
Calderdale SFI	20,000	-
Kirklees SFI	(3,990)	-
Wakefield SFI	(5,917)	-
CPWYDA income	(10,093)	-
Resources income	(2,036)	-
Evaluation income	(14,000)	-
Primary Care Network income	(77,986)	65,100
NHS Commissioning Board funds	(30,122)	17,322
HEE income	(6,312)	-
Service administration funding	(50,796)	32,388
Service Project Man funding	(288,194)	41,700
Miscellaneous income	300	10,075
	<u>295,871</u>	<u>549,495</u>
Total incoming resources	295,956	549,742
EXPENDITURE		
Administration Costs		
Wages	177,414	188,611
Social security	31,902	35,022
Pensions	62,483	51,606
Rent	18,223	18,076
Academy outgoings	4,894	9,262
PSNC levy	153,893	152,159
Office equipment and repair	5,658	3,073
Telephone and IT	13,018	8,717
Printing, post and stationery	853	916
Travelling and subsistence	230	205
CPWY meeting	16,738	15,465
External meeting	885	1,467
PSNC attendance	875	890
Service admin and support	38,558	34,868
HR expenses	3,324	2,066
Premises expenses	20	18
Insurance	625	584
Accountancy	5,203	4,507
Consultancy	38,014	34,560
Carried forward	572,810	562,072

This page does not form part of the statutory financial statements

Community Pharmacy West Yorkshire (Ops)

Detailed Income and Expenditure Account
for the Year Ended 31 March 2022

	31.3.22	31.3.21
	£	£
Administration Costs		
Brought forward	572,810	562,072
Legal and professional fees	389	1,064
Fees for external work	6,547	-
Sundry expenditure	229	88
Bank charges	1,051	815
Corporation tax	34	93
	<u>581,060</u>	<u>564,132</u>
Total resources expended	<u>581,060</u>	<u>564,132</u>
Net expenditure	<u>(285,104)</u>	<u>(14,390)</u>

This page does not form part of the statutory financial statements