



**COMMUNITY PHARMACY NORTH EAST CENTRAL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

Community Pharmacy North East Central

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Chair's Foreword

Welcome to Community Pharmacy North East Central's Annual Report 2023/24.

After all the hard work during 2022/23, as briefly described in my foreword to the County Durham Annual report of that year, 1 April 2023 welcomed Community Pharmacy North East Central (CPNEC); a new Local Pharmaceutical Committee (LPC) comprising Durham and Sunderland pharmacies. From the outset, CPNEC had two main aims: providing a high level of service to our contractors whilst hitting the ground running as a new LPC, and this against the backdrop of increasingly difficult and highly pressurised times for the profession.

The funding crisis continues to be at the forefront of people's minds; it's stark reality brought home with Lloyds exiting the market and other pharmacies, independents and branches of multiples, being forced to close. Several members of CPNEC are contractors themselves; they see and feel the day-to-day struggles faced by their colleagues in community pharmacy.

Given this environment, CPNEC has focused its efforts and resources on activity which will bring direct benefits to our pharmacies. We have appointed Jamie Rotherham, CPNEC member and experienced contractor based in the area, as a services coach, initially on a 12-month contract. Many of you will have met Jamie or been in contact with him, for more information about Jamie, the role and how to contact him, visit the [CPNEC website](#).

The LPC continues its good relationship with the Public Health (PH) team at Durham County Council (DCC). Greg Burke, Chief Officer, meets monthly with Claire Jones, Public Health Pharmacy Advisor at DCC and Claire regularly interacts with CPNEC members on service development. CPNEC is grateful to Claire for the support she, and the council, provides to pharmacies, not least the willingness to continue to review the content and fee structures of the PH commissioned services.

CPNEC has forged good relations with PH colleagues at Sunderland City Council (SCC). Heather Frith, Clinical Public Health Lead at SCC, has attended CPNEC meetings and is in regular contact with officers and members in relation to service development. At the request of CPNEC, SCC has provided a commitment to review the fee structures of the PH commissioned services, CPNEC is hopeful of a favourable outcome later this year. CPNEC is also in discussion with SCC about the commissioning of a LARC service. The intention is to pilot the service in eight pharmacies and roll out to more providers if the pilot demonstrates success.

CPNEC continues to be an active member of Pharmacy Services North East (PSNE) Ltd. Its discussions with colleagues at SCC have included the possibility of the council migrating its pharmacy commissioned services to PSNE Ltd. This development is ongoing with the aim of the transition taking place on 1 April 2025.

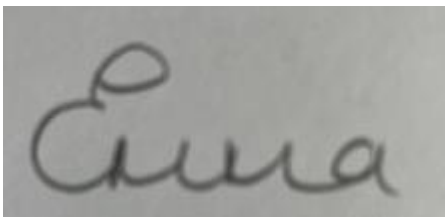
In January, CPNEC hosted its first Annual General Meeting. Over 100 people attended the event, guest speakers were invited, including Dr Cindy Kelly who provided clinical skills training in the use of an otoscope, equipment which was purchased on behalf of its

pharmacies by CPNEC. Feedback after the event was very positive, as was the atmosphere generated during the evening.

As always, the LPC welcomes comments from pharmacy teams, we hope you will raise any issues with members, the Chief Officer or myself. You are of course welcome to attend CPNEC meetings, details of the dates are available [here](#) on the CPNEC website. CPNEC circulates regular newsletters, at least once per month. If you have not yet subscribed, you can do so [here](#) on the website.

Please do visit the [CPNEC website](#). We do our best to ensure that the content is current. If you do notice any issues with the content or have any suggestions as to how to improve it, please contact Greg Burke, our Chief Officer, at greg.burke@nhs.net.

Finally, I would like to place on record the CPNEC's huge thanks to all pharmacy teams. For several reasons, the profession continues to operate under very difficult circumstances. Despite huge pressures, pharmacy staff continue to deliver an exemplary service to patients, ensuring that they receive the treatment they need within their own communities. With very best wishes

A handwritten signature in black ink on a light grey background. The signature is cursive and appears to read 'Emma'.

Emma Morris

Chair



Community Pharmacy North East Central (CPNEC) Report of the committee members for the period ending 31 March 2024.

CPNEC presents its annual report and financial statement.

Principal activities

CPNEC acts in the role of local NHS representative organisation for community pharmacies located in Durham and Sunderland.

Its goals for 2023-24 were to develop relationships with external stakeholders whilst at the same time supporting its pharmacies as they continue to work in a highly pressurised and financially challenging environment.

The committee

CPNEC is an association whose functions and procedures are set out in our [constitution](#).

As at 1 April 2023 membership of the committee comprised:

2 members from the Association of Independent Multiples

6 members from the Independent sector

4 members from the Company Chemists Association.

Meeting attendance 2023-24

Member	Number of meetings attended/possible	% attendance
Paul Arnett	6/6	100%
Kathryn Brown	3/6	50%
Andrea Dickinson	1/1	100%
Mukarrom Hussain	3/4	75%
Gordon Johnson	3/3	100%
Ian Mensforth	6/6	100%
Lee Middleton	5/6	83%
Emma Morris	6/6	100%
Rob Pitt	4/6	67%
Derek Roberts	4/6	67%
Jamie Rotherham	2/2	100%
Ramindar Sihota	5/6	83%
Claire Thoms	6/6	100%
Rebecca Walton	3/4	75%
Jovan Wong	1/1	100%

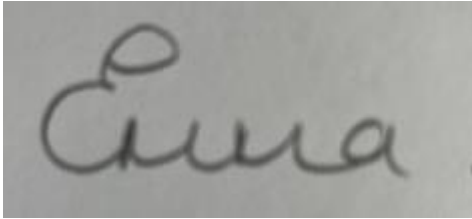
NB: Mukarrom Hussain, Gordon Johnson and Rebecca Walton left the committee in year. Jamie Rotherham became a committee member in December 2023, Andrea Dickinson in March 2024 and Jovan Wong in February 2024.

All members adhere to corporate governance principles adopted by the Committee.

This report was approved by the North East Central Local Pharmaceutical Committee on 10 September 2024 and signed on its behalf by:

Emma Morris

Chair

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COMMUNITY PHARMACY NORTH EAST CENTRAL

STATEMENT OF COMMITTEE MEMBERS RESPONSIBILITIES

FOR THE PERIOD ENDED 31 MARCH 2024

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;
- a. make judgments and accounting estimates that are reasonable and prudent;
- a. 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.

COMMUNITY PHARMACY NORTH EAST CENTRAL

ACCOUNTANTS' REPORT ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF COMMUNITY PHARMACY NORTH EAST CENTRAL FOR THE PERIOD ENDED 31 MARCH 2024

We have prepared for your approval the financial statements of Community Pharmacy North East Central for the period ended 31 March 2024, which comprise the statement of financial activities and the related notes from the committee's accounting records and from information and explanations you have given us.

This report is made to the committee, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Community Pharmacy North East Central and state those matters that we have agreed to state to the committee, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Community Pharmacy North East Central for our work or for this report.

It is your duty to ensure that Community Pharmacy North East Central has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Community Pharmacy North East Central. You consider that Community Pharmacy North East Central is exempt from the statutory audit requirement for the period, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Community Pharmacy North East Central. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

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Bede House
Belmont Business Park
DURHAM
DH1 1TW
United Kingdom

Financial Statements

COMMUNITY PHARMACY NORTH EAST CENTRAL

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £
<u>Income from:</u>		
Statutory Levies		218,716
Pinnacle - Pharm Outcomes licence recharge		11,187
PSNE - Management Fees		5,293
Committee Merger Funds		262,757
		<hr/>
Total income		497,953
		<hr/>
LPC Expenditure	2	203,357
		<hr/>
Total expenditure		203,357
		<hr/>
Net income for the year/ Net movement in funds		294,596
Fund balances at 1 April 2023		-
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Fund balances at 31 March 2024		294,596
		<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

Financial Statements

COMMUNITY PHARMACY NORTH EAST CENTRAL

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£
Current assets			
Debtors	4	20,637	
Cash at bank and in hand		284,687	
		<u>305,324</u>	
Creditors: amounts falling due within one year	5	(10,728)	
		<u> </u>	
Net current assets			294,596
			<u> </u>
Income funds			
Unrestricted funds			294,596
			<u> </u>
			<u>294,596</u>

The financial statements were approved by CPNEC on 10 September 2024.

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COMMUNITY PHARMACY NORTH EAST CENTRAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2024

1 Accounting policies

1.1 Accounting convention

With the exception of some disclosure, 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 £. The financial statements present information about the committee as a single entity. The following principal accounting policies have been applied:

1.2 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.

1.3 Income & Expenditure

Both income and expenditure are accounted for on the accrual basis. The primary source of income shown in the financial statements consists of levies from NHSBA Contractors in respect of that period.

1.4 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.

1.5 Financial instruments

The committee only enters into basic financial instrument transaction that result in the recognition of financial assets and liabilities like other debtors and creditors. Financial assets and liabilities are recognised when the company 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 present value of the future receipts discounted at market rate of interest. Such assets and liabilities are subsequently carried at amortised cost using the effective interest method, less any impairment.

1.6 Taxation

Any surplus arising from the activities of the Community Pharmacy North East Central on its non-mutual activities is subject to corporation tax at 19%.

1.7 Pension costs

The amounts paid during the year are charged to the income and expenditure account. Details are shown in note 7 of these accounts.

COMMUNITY PHARMACY NORTH EAST CENTRAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

2 LPC Expenditure

	Expenditure 2024 £
Staff costs	86,909
CPE Levies	77,465
Pinnacle - Pharm Outcomes Licence	12,216
Travel	1,461
Room Hire & Catering	5,172
Training	1,274
Telephone	707
Computer expenses	1,632
Accounting and professional fees	3,696
Insurance	395
Sundry expenses	280
PF Otoscopes	12,150
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	203,357
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	203,357
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3 Employees

The average monthly number of employees during the year was:

	2024 Number
	3
	<hr/> <hr/>

Employment costs

	2024 £
Wages and salaries	46,270
Social security costs	20,802
Other pension costs	3,983
Member Backfill and other employment costs	15,854
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	86,909
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There were no employees whose annual remuneration was more than £60,000.

COMMUNITY PHARMACY NORTH EAST CENTRAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

4 Debtors

	2024
	£
Amounts falling due within one year:	
Trade debtors	18,180
Other debtors	2,457
	20,637
	20,637

5 Creditors: amounts falling due within one year

	Notes	2024
		£
Deferred income	6	2,499
Other creditors		50
Accruals and deferred income		8,179
		10,728
		10,728

6 Deferred income

	2024
	£
Other deferred income	2,499
	2,499
	2,499

Deferred income is included in the financial statements as follows:

	2024
	£
Deferred income is included within:	
Current liabilities	2,499
	2,499
Movements in the year:	
Deferred income at 1 April 2023	-
Resources deferred in the year	2,499
	2,499
Deferred income at 31 March 2024	2,499

7 Retirement benefit schemes

Defined contribution schemes

The employer's contributions to the pensions scheme are 5%, the employee has the choice to contribute between 3 and 5%.

The charge to profit or loss in respect of defined contribution schemes was £2,982.

COMMUNITY PHARMACY NORTH EAST CENTRAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

8 Related party transactions

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

Amount	No. of Members	2024
£0 to £10,000		12
£10,001 to £20,000		0