

The Pharmacy Practice Research Trust  
Registered Charity No. 1076457



Medicines & People  
Turning Knowledge Into Know-how

Annual Report and Financial Statements  
Year ended 31<sup>st</sup> August 2007

haysmacintyre  
Chartered Accountants  
Registered Auditors

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### Chairman's Foreword

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The 2006/2007 reporting period has been notable for the Trust in terms of consolidating its key objectives, notably building research capacity. The Trust has supported both research into education at undergraduate level and facilitated postgraduate research and education. It has also been a year in which the Trustees and staff have invested time to undertake the foundation work essential for the Trust to achieve its objectives; networking and engaging with potential stakeholders and preparatory work for future commissioning. These activities are vital to support and establish key research priorities within the overarching Medicines and People programme. The research scoping exercise organised by the Trust early in the reporting year will now pave the way for research commissioning over the next three years. Engagement with external stakeholders will promote partnerships to support dissemination and implementation and future research.

In 2005, the Trustees recognised the importance and extent of innovation in pharmacy education and identified the need for new developments in undergraduate education to be shared. Accordingly, the Trust approved and funded several small-scale projects covering a range of innovative educational developments. I am delighted that the results of these projects were presented in December 2006 and a compendium of these studies - *Learning from Innovation in Pharmacy Education* - was published by the Trust in August 2007.

Building research capacity through investment in postgraduate research continues to produce some fine pieces of research and, some would argue more importantly, to offer pharmacists the opportunity to access research training. This year has seen the final reporting of work that encompasses service user's perspectives when offered a choice between healthcare professionals (Dyfrig Hughes) and the completion of one of two PhDs on ethics and pharmacy (Ailsa Benson).

This year's research awards were awarded to individuals for both training and research in key areas of interest to the Trust including research into improving medication safety and pharmaceutical care in kidney transplant patients (Galen Award) and the two successful applicants for the 2007 Sir Hugh Linstead awards will both be investigating Medicines Use Reviews, a key feature of the new Contract for Community Pharmacy.

The first results of a two year national evaluation of the new contract for pharmacy, funded by the Trust, were delivered in May at a key stakeholder event. This highly successful day demonstrated the value of pre-publication release of results to an invited wider audience, including other healthcare professionals and patient representatives, to garner opinion and insight notably around recommendations arising from the research. It also played a vital role in engaging early interest in the outcomes of the research among those with influence over health policy and its implementation. The final research report from this work is due for publication in late 2007.

The Trustees would like to thank the busy academics and individuals who support the governance structure of the research through attendance at steering groups meetings and for investing their valuable time in both reading and evaluating submitted research proposals and completed projects. Finally the Trustees would also like to thank the Leverhulme Trade Charities Trust, the Royal Pharmaceutical Society for Great Britain, the Pharmaceutical Trust for Educational and Charitable Objectives and the Galen Trust for their financial contribution towards research.

P. L. Marshall Davies  
Chair, Pharmacy Practice Research Trust

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**REFERENCE AND ADMINISTRATIVE DETAILS:**

Registered Charity Name	The Pharmacy Practice Research Trust
Registered Charity No.	1076457
Principal Address:	1 Lambeth High Street, London SE1 7JN
Trustees:	Mr Peter Curphey Mr Anthony Clinch (from March 2007) Mr Marshall Davies (Chair) Professor Brian Edwards Ms Christina Funnell Mr Bryan Hartley (until December 2006) Lord Newton of Braintree (from March 2007) Mr Hemant Patel (ex-officio) Mr Kirit Patel Professor Michael Schofield Professor Clive Smee
Trust Director:	Sue Ambler
Research Programme Co-ordinator:	Beth Allen
R&D Senior Administrator:	Nana Clarke
Research Strategy Co-ordinator: (from December 2006)	Linda Sheldrake
Team Administrator:	Florita Sanz
Auditors:	haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY
Solicitors:	Boyes Turner Abbots House, Abbey Street Reading RG1 3BD
Principal Bankers:	National Westminster Charing Cross Business Centre 2 <sup>nd</sup> Floor, Cavell House 2a Charing Cross Road London WC2H 0NN

## OBJECTS

The objects of the Pharmacy Practice Research Trust (the "Trust"), as set out in its Charitable Trust Deed, is the relief of sickness generally in the United Kingdom and in particular but not so as to limit the generality of the foregoing:

- to promote research into the practice of pharmacy in the United Kingdom and to publish the useful results of such research;
- to promote the health of the public by educating pharmacists in order to improve the standard of healthcare available to the public; and
- to advance and promote knowledge and skill in relation to the practice of pharmacy for the public good.

## AIMS

The Trust has set about identifying a programme of social and economic research that focuses on the use of medicines and their place in society more generally. Through its ***Medicines & People programme*** the Trust aims to:

- Provide opportunities for key stakeholders to develop a shared research agenda;
- Identify researchers with the right skills to address high priority research questions;
- Support the development of researchers with the right skills and leadership potential to take the field forward in the future; and
- Provide a forum in which the implications of the results can be considered in the widest possible policy context.

## OBJECTIVES FOR THE YEAR

- Greater investment in relationship building with key stakeholders to strengthen partnerships to drive collaborative research and influence the impact of Trust sponsored research;
- Strengthen the Trust and the Medicines and People Programme brand with the aim of increasing overall awareness;
- Continuation of a more proactive media programme;
- Undertake a research scoping exercise to identify new commissioning work streams; and
- Focussed dissemination of the National Evaluation of the Community Pharmacy Contract research – ensuring uptake by policy makers.

## REVIEW OF ACTIVITIES

When appraising the outcomes of research funded by the Pharmacy Practice Research Trust, as for many other charities, it should be considered that the research process is incremental, and the road to discovery and application can be long and complex. Therefore, the impacts of the Trust's funding are likely to be seen some time after the expenditure is committed – and the direct link to health outcomes may be seen only in generations to come<sup>1</sup>.

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<sup>1</sup> Wellcome Trust Annual Report and Financial Statements 2005.

Nevertheless, incremental findings of research underpin further research and provide the foundations for future improvements in health. This report highlights some of the achievements from work previously funded as well as work funded within the past year. All trusts and foundations are in the business of bringing about some form of positive change and giving grants is the means by which we set out to do this. And yet, all too often grant makers focus on the giving itself rather than the outcomes of the giving. Having given, they frequently fail to ask the key question: has our grant made a difference?<sup>2</sup>

Through their Medicines and People Programme the Trustees are committed to creating knowledge that “ensures that the right person gets the right medicine at the right time in a manner that meets the needs and expectations of the individual who will take it” and to ensuring that this knowledge is used appropriately to inform and shape policy and practice relating to medicines and their use.

The Medicines and People Programme addresses 5 related themes:

**Programme 1 – The health of the public and the place of medicines** will help us to understand the beliefs, expectations, skills, knowledge and competencies of the people who use and take medicines – the patients and their carers as well as the healthcare professions.

Achievements from funding previously awarded include:

- Dr Dyfrig Hughes, Centre for Economics and Policy in Health, University of Wales, Bangor, received a Galen Award in 2004 to undertake the study *Investigating factors influencing user choices to visit either general practitioners or community pharmacists in the management of minor ailments*. A number of interesting policy implications emerged from this research. The results of the discrete choice experiments indicate that there is potential to improve the efficiency of policies aiming to increase use of community pharmacies in the management of minor illnesses. Policy makers need to reinforce the benefits of the immediate and local availability of community pharmacies that can offer brief consultations, often at less or the same cost as consulting a general practitioner to receive a prescription medicine. Users' strong preference to see a GP, coupled with the phased abolition of the prescription charge in Wales may, however, conspire against achieving these policy aims.

Dyfrig submitted his final report to the Trust and this work will be formally published in 07/08.

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<sup>2</sup> Introduction to Monitoring & Evaluation. Association of Charitable Trusts, 1998.

**Programme 2 – The right medicine for the right patient: preventing medication errors** will help us to understand the basis of clinical practice and services and the regulation and governance of the system.

Results from ongoing projects under this research programme are not yet available.

**Programme 3 – Pharmacy: a profession fit for purpose** will inform the development of the contribution which pharmacy makes to the provision of high quality patient centred care. This programme is split into three areas – workforce, education and ethics.

Achievements from funding previously awarded include:

### **Workforce**

- Following the launch of the Community Pharmacy Contractual Framework (CPCF) in April 2005, the Trust identified a need for research to evaluate progress in implementation of the CPCF; to identify what is working well and what barriers result in less successful initiatives.

The Trust, therefore, commissioned a research team in January 2006, led by Alison Blenkinsopp, Professor of Pharmacy Practice at Keele University School of Pharmacy, to undertake a national evaluation of the pharmacy contract. The purpose of this research was to identify factors that are helping or hindering the implementation of enhanced and advanced services, as well as outcomes for staff and quality issues and provide a unique picture of implementation so far and identify areas where the contractual framework might need to develop in the future.

The Trust hosted a multi-stakeholder workshop in May 2007, based on the early findings of the national evaluation of the Community Pharmacy Contractual Framework (CPCF), to elicit feedback and practical suggestions on how to gain maximum benefit from the CPCF in the future. The feedback from this event will contribute to the final report, due in September 2007, and will help to shape thinking about how best to embed the new contract within community pharmacy specifically and primary care more generally.

### **Education**

- If the pharmacy workforce both today and in the future is going to meet the increasing needs and expectations of the NHS, patients and the public, it is important that pharmacy education is innovative and that new developments are shared, not only with pharmacy academics, but more widely within the profession and outside. In response to this need the Trust funded ten small-scale projects covering a range of innovations in pharmacy education and held a one day event to discuss results from these projects with other academics and educators.

A compendium of these innovative pharmacy education studies *Learning from Innovation in Pharmacy Education* was published by the Trust in August 2007. As a collective, the projects demonstrate the benefits of embracing new technology to support traditional teaching methods; that patient safety and safe working practice remain essential skills; and that there is an increased need for sustained support.

### **Ethics**

- The report entitled *Respect for medicines and respect for people: mapping pharmacist practitioners' perceptions and experiences of ethics and values* by Dr Ailsa Benson, King's College London, Professor Alan Cribb, Centre for Public Policy Research, King's College London and Professor Nick Barber, The School of Pharmacy, University of London was published by the Trust in March 2007. This publication is based on a PhD research study which set out to explore and map the values and ethics of pharmacy practitioners through their self-reported day-to-day perceptions and experiences. It identifies two core values, *respect for medicines* and *the patient's best interests* as central to the way ethical components within professional activities are currently managed and understood. The findings suggest that greater ethical and values literacy would make an important contribution to the pharmacy profession in two respects. Firstly, by directly supporting new and developing practice activities and responsibilities and secondly, by helping the profession to maintain and develop its broader contribution to society including medicines and health-related policy making.

There is an increasing recognition by the wider health community of the central role ethics and particularly values and value judgments play in decision making in patient care. However, ethics is an area of research which is significantly underdeveloped in pharmacy. This is particularly so at a time when the professional role of pharmacy is evolving and health care delivery itself is changing with greater emphasis on shared care, patient autonomy, the extension of community based health care delivery and increasing cultural diversity of both patients and health care practitioners.

**Programme 4 – Medicines and the health of communities** will explore medicines and their place in addressing the wider health agenda relating to public health and tackling inequalities.

Results from ongoing projects under this research programme are not yet available.

**Programme 5 – Science, technology and medicines** will highlight how well the different systems meet the changing expectations of society and accommodate the challenges of a rapidly evolving scientific and technological agenda.

Results from ongoing projects under this research programme are not yet available.

### **Capacity Building**

The Trustees recognise that as in any field of academic endeavour, the quality of the research produced relies heavily upon the availability of a properly equipped research workforce. The Trustees are therefore committed to supporting the development and training of the research workforce. The Trust has a specific programme of research grants and bursaries, funded with grants from the Leverhulme Trade Charities Trust and the Galen Trust.

#### CASE STUDY

After a decade in professional practice as a clinical pharmacist in London and Brighton, Rob Horne completed a part-time PhD in health psychology at King's College London (1993-1997). Following completion of his PhD he was successful in his application for a Sir Hugh Linstead Fellowship in 1998 to support a study entitled *The Influence of Perceived Symptoms on Illness and Medication Beliefs and on Adherence Behaviours in a Sample of Hypertensive Patients*. This fellowship provided invaluable bridging funding allowing him to build on the work he had conducted in his PhD and demonstrate his ability to secure grant funding early in his research career. The Linstead research acted as a pilot study for subsequent successful bid to conduct a sub-study within the international Anglo-Scandinavian Cardiac Outcomes Trial (ASCOT) and was one of a number of studies he has undertaken relating to self-management behaviour in chronic illness, with an emphasis on adherence to medication. Over the past decade this research has generated over 70 peer-reviewed publications and grants totaling over £3.8 million.

In September 2006 he joined The School of Pharmacy, University of London where he established the Centre for Behavioural Medicine within the Department of Practice and Policy.

He is currently a Visiting Professor at the Division of Health and Social Care (School of Medicine), Kings College London and in the Department of Psychology at University College London, and a Visiting Fellow at the Institute of Psychiatry, Kings College London. He is also Associate Director of the Academic Pharmacy Unit at Hammersmith Hospitals London.

#### GRANT-MAKING POLICY

The Trust supports high quality research across pharmacy practice and the wider health services research. Both grant making & commissioning is done through a national competitive process and supported by external peer review.

#### PARTNERSHIPS

The Trustees are committed to working with other stakeholders in order to turn the knowledge into know-how which improves policy, practice and services and supports the process of innovation in healthcare. The Trust is always looking to work closely with potential sponsors to identify and develop workable projects and to engender ownership of the results. The Trustees aim to involve all stakeholders and sponsors in events to discuss emerging and final results from the projects funded by the Trust.

#### ACHIEVEMENTS AND PERFORMANCE

A number of achievements are outlined under the review of activities. In addition, the following achievements were made against the objectives for the year:

- *Greater investment in relationship building with key stakeholders to strengthen partnerships to drive collaborative research and influence impact of Trust sponsored research*

The Trust invested more staff time in relationship building in the reporting year. The following are some examples of key meetings attended to promote the activities of the Trust and possible collaborative working:

National Pharmacy Association (March 2007)  
Health Services Research Network/NHS Confederation – The Impact of Health Services Research on Policy in the NHS (April 2007)  
Health Services Research and Pharmacy Practice Conference (April 2007)  
All Party Parliamentary Group for Pharmacy – AGM (June 2007)  
Picker Institute (July 2007)  
Institute for Public Policy Research (July 2007)

- *Strengthen the Trust and the Medicines and People Programme brand with the aim of increasing overall awareness*

In the reporting year the Trust made a number of efforts to strengthen the Trust and Medicines & People brand through the following activities:

- Redesigning published materials to incorporate the Trust and Medicines and People logo; and
  - Producing exhibition panels using the Trust and Medicines and People logo for use at Trust held events and external conferences and seminars.
- *Development of a more proactive and reactive dedicated Trust media programme with the aim of achieving increased media coverage and acknowledgement of the Trust.*
    - All press releases are now Trust branded (or carry clear branding if making a joint announcement).
    - Relationships developed with pharmacy sector media.
    - Media coverage achieved in pharmacy and primary care media.
  - *Undertake a research scoping exercise to identify new commissioning work streams*

The Trust undertook a research scoping exercise in the reporting year drawing on the knowledge and expertise of external partners, Trust staff and Trustees. The outcome of this event provided information on which the Trustees identified three key research themes to be taken forward in 07/08:

- The Pharmacist as a healthcare professional
  - Value for money service provision – building the evidence base
  - Interprofessional working
- *Stakeholder involvement in the National Evaluation of the Community Pharmacy Contract research – ensuring uptake by policy makers.*

Having completed the analysis of data from the first phases of the above study, the Trust hosted a multi-stakeholder workshop at which the research team shared initial findings. This meeting involved key stakeholders and was successful for two reasons: it allowed

the Trust to share emerging conclusions from the first phases of the work; and, allowed stakeholders to feedback on their particular experiences in relation to the issues raised by the work – notably around national health delivery and commissioning policies and interprofessional working relationships.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Trust is a charitable trust established in 1999 by the Royal Pharmaceutical Society of Great Britain (RPSGB) to enable the RPSGB to benefit from the governance arrangements set up by the Trust and to ensure that the research funded is, and is seen to be, independent. The Trust is registered under the Charities Act 1993 (registration number 1076457).

The Trust is an independent research charity whose registered office is 1 Lambeth High Street, London SE1 7JN. The Trust is governed by its Charitable Trust Deed of 20<sup>th</sup> October 1998 and a supplemental Deed of Amendment of 17<sup>th</sup> March 2005.

The Trustees of the Pharmacy Practice Research Trust are distinguished in the fields of pharmacy, medicine, health services, research, business, law, economics and policy. The Trust considers each of the Trustees to be independent in character and judgement and that there are no relationships or circumstances which are likely to affect, or could appear to affect, the Trustees' judgement.

Trusteeship is discussed at the first Trustees' meeting each year. Trustees are invited to consider whether they are still able to make a valuable contribution to the Trust or whether they ought, in all the circumstances, to give way to new Trustees. A Trustee cannot resign unless there will be at least two Trustees left after the resignation. The Trust considers this more appropriate than a formal term of office.

Trustees are appointed by the RPSGB<sup>3</sup>, as Settlor, and in selecting persons to be appointed as Trustees the Settlor takes into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the Objects or the management of the Trust.

The Board of Trustees sets strategy, decides priorities, establishes funding policies and allocates budgets. The Board of Trustees draws on the advice and help of a number of experts in relation to grant making and project management/oversight.

The Trust undertakes a comprehensive induction programme for all new Trustees, which includes induction materials relating to the Trust's charitable purposes and finances, the powers of the Trustees and information about day-to-day running of the Trust. Key documents are provided, such as the Trust Deed, Deed of Amendment, The Essential Trustee<sup>4</sup>, three years of audited accounts and minutes of the most recent Trust Board meetings. Generic training is offered in areas such as Charity Trusteeship, Governance and Compliance, Financial Accounting and Land Issues and Trading, Intellectual

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<sup>3</sup> The Royal Pharmaceutical Society of Great Britain (RPSGB) is the professional and regulatory body for pharmacists in England, Scotland and Wales. The primary objectives of the RPSGB are to lead, regulate, develop and represent the profession of pharmacy.

<sup>4</sup> Charity Commission publication available at <http://www.charity-commission.gov.uk/publications/cc3.asp>

Property and Employment. Informal training is offered through opportunities to attend pharmacy practice and health services conferences and seminars. Trustees also receive relevant training through their roles on external boards and committees on which they sit.

Declarations of Trustee's Conflicts of Interest:

- |                             |   |   |
|-----------------------------|---|---|
| Mr Hemant Patel             | - | President, RPSGB  |
|                             | - | Trustee, Pharmaceutical Trust for Charitable Objectives |
| Professor Michael Schofield | - | Council Member, RPSGB                                   |

### **STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

The Trustees of the Charity are required to prepare for each financial year accounts which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with statutory requirements and with the Trust Deed dated 20 October 1998. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **RISK ASSESSMENT**

The Trustees undertook an original risk assessment exercise in 2004 which was reviewed on an annual basis. However, the Trustees recognise that this process needs to be a dynamic one to ensure new risks are addressed as they arise and also cyclical to establish how previously identified risks may have changed. The Trustees, therefore, undertook a comprehensive review of the 2004 risk assessment in 06/07 and 14 risks to the Trust were identified across six categories (Governance, Operational, Financial, External, Reputational and Compliance with Law and Regulation). Identified risks were assessed and weighted according to likelihood and impact. Mitigating steps for identified risks were updated and allocated "owners" who are responsible for their implementation

and progress reporting. A “risk tolerance/appetite” was set, above which Risks are brought to the attention of Trustees at the subsequent board meeting.

The Trustees are satisfied that the major risks to which the Trust is exposed, as identified by the Trustees, have been reviewed and that systems have been established to mitigate those risks. These will reviewed on an annual basis.

## **PLANS FOR THE FUTURE**

Plans to be progressed during the next year in relation to research dissemination to include:

- *British Pharmaceutical Conference Plenary: Evaluation of the New Contractual Framework for Pharmacy, September 2007*

BPC 2007 delegates will hear how the first major national evaluation of the new contract for community pharmacy has shown positive progress but has also highlighted areas that require more commitment and investment. The areas of progress include the consolidating of existing services and moving towards providing a wider range of pharmacy services and more patient choice in primary care.

- *Sharing Knowledge: Ethics in Healthcare, September 2007*

This dinner event will be held at RPSGB headquarters to showcase some of the findings of the ethics PhDs and lead the debate on an issue that has relevance to all healthcare professionals.

- *Medicines & People Bi-annual Lecture: The Public Health Agenda – Implementation across Health Professions, April 2008*

The purpose of this event is two fold:

1. The Trust (and the pharmacy profession) leading debate across the professions on current hot topics in the world of healthcare – thus demonstrating leadership in pharmacy from the top down; and
2. A scoping exercise for future research in the lecture topic.

Plans to be progressed during the next year in relation to capacity building activities:

- *Pharmacy Practice Research Guidance Documents*

The Trust will publish a series of research guidance documents for pharmacy practitioners new to research as well as existing award and bursary holders.

Other plans to be progressed during the next year include:

- Trust activities are currently “buried below the surface” of the RPSGB website making recent and forthcoming events and publications difficult to access. The Trust will, therefore, look to commission an independent website with a separate design, logo and URL to that of the RPSGB.

## FINANCIAL REVIEW

The Trustees administered the following grants in 2006/07:

From the RPSGB:

- A restricted programme grant of £600K over 3 years (2004-2006) to fund work in Programme 3: Pharmacy: a profession fit for purpose.
- An annual restricted programme grant (2004-2006) of £10K to fund the Galen Award (a pharmacy practice research project grant).
- An unrestricted grant of £186K over 3 years (2004-2006) to run the Trust, including publication and dissemination costs.

From the Pharmaceutical Trust for Educational and Charitable Objectives:

- A restricted programme grant of £750K over 3 years (2007-2009) towards the cost of commissioning research under the Medicines and People programme.
- An unrestricted grant of £213.9K over 3 years (2007-2009) to run the Trust, including publication and dissemination costs.

From the Leverhulme Trade Charities Trust:

- A restricted project grant of £120K over three years to fund the Sir Hugh Linstead Fellowship (2004-2006).
- A restricted project grant of £135K over three years to fund the Sir Hugh Linstead Fellowship (2007-2009).
- A restricted grant of £75K over three years (2005-2007) to fund the Research Training Bursary Scheme in community pharmacy.

From the Galen Trust:

- A restricted grant of £50,000 towards funding responsive research through the "Galen Award" scheme for a period of 3 years (2008 – 2010).

In addition, the RPSGB provides the following support for the Trust which appears in the annual accounts of the Trust as a "Gift in Kind":

- Staff time to support the Trustees in their work; and
- Office accommodation (and associated overhead costs).

## Charitable Outgoing Resources

Total charitable expenditure for the year was £429,528 (05/06: £549,605), a decrease of £120,077.

## Research Expenditure

In the reporting year 06/07, a total of £194,870 was spent across two of the five *Medicines and People* research programmes.

### **Capacity Building**

Total capacity building expenditure for the year was £49,248 (05/06: £100,286), a decrease of £51,038

### **Coordination & Governance**

Coordination & Governance covers all charitable activities excluding research funding, grant making & capacity building. In the reporting year 06/07 a total of £30,561 (05/06: 56,598) was spent on Coordination & Governance activities.

### **Support**

Total income for the year was £535,842 (05/06: £535,926), a decrease of £84.

### **Reserves policy**

Reserves at the year end stood at a level which is sufficient to sustain the Trust's current level of activities. It is anticipated that the scope and level of operation will expand as further funds are raised.

Approved by the Trustees on 8<sup>th</sup> April 2008 and signed on their behalf by:

Marshall Davies  
Chair, Pharmacy Practice Research Trust

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE PHARMACY PRACTICE RESEARCH TRUST**

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We have audited the financial statements of The Pharmacy Practice Research Trust for the year ended 31 August 2007 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with the regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As described in the Statement of Trustees' Responsibilities the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 August 2007 and of its incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

**haysmacintyre**  
**Registered Auditors**

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**Fairfax House**  
**15 Fulwood Place**  
**London**  
**WC1V 6AY**

**THE PHARMACY PRACTICE RESEARCH TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR TO 31 AUGUST 2007**

	Notes	Unrestricted funds	Restricted funds	Total 2007	Total 2006
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<i>Voluntary income</i>					
Collections , Legacies & Donations	1	160,587	-	160,587	383,821
Grants		71,300	-	71,300	-
<i>Incoming resources form charitable activities :</i>					
Grants for training and research		-	291,300	291,300	134,645
Other Income		12,655	-	12,655	17,460
<b>Total Incoming resources</b>		<u>244,542</u>	<u>291,300</u>	<u>535,842</u>	<u>535,926</u>
<b>RESOURCES EXPENDED</b>					
<i>Charitable activities</i>					
Grants for training and research		46,436	49,248	95,684	150,686
Research costs		117,523	187,826	305,349	368,914
Governance Costs		28,495	-	28,495	30,005
<b>Total Resources Expended</b>	2	<u>192,45</u>	<u>237,074</u>	<u>429,528</u>	<u>549,605</u>
Net incoming resources before transfers		52,088	54,226	106,314	(13,679)
Transfers		(851)	851	-	-
<b>NET MOVEMENT ON FUNDS</b>	3	<u>51,237</u>	<u>55,077</u>	<u>106,314</u>	<u>(13,679)</u>
Funds Brought Forward		<u>107,215</u>	<u>176,250</u>	<u>283,465</u>	<u>297,144</u>
Funds Carried Forward		<u>£158,452</u>	<u>£231,327</u>	<u>£389,779</u>	<u>£283,465</u>

All operations are continuing.

The notes on pages 17 to 20 form part of these financial statements.

**THE PHARMACY PRACTICE RESEARCH TRUST**

**BALANCE SHEET**

**AS AT 31 AUGUST 2007**

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		2007		2006	
	Note	£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	4	321,300		-	
Cash at Bank and in hand		87,331		498,542	
		<u>408,631</u>		<u>498,542</u>	
<b>CREDITORS: Amounts falling due within one year</b>	5	<u>(18,852)</u>		<u>(215,077)</u>	
<b>NET CURRENT ASSETS</b>			<u>389,779</u>		<u>283,465</u>
<b>NET ASSETS</b>			<u>£389,779</u>		<u>£283,465</u>
<b>FUNDS</b>					
Unrestricted	6		158,452		107,215
Restricted	7		231,327		176,250
			<u>£389,779</u>		<u>£283,465</u>

The notes on pages 17 to 20 form part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 8<sup>th</sup> April 2008 and were signed below on its behalf by:

P. L. Marshall Davies  
Trustee

## THE PHARMACY PRACTICE RESEARCH TRUST

### ACCOUNTING POLICIES

#### FOR THE YEAR ENDED 31 AUGUST 2007

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The financial statements have been prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued in March 2005.

#### **Incoming resources**

##### *Collections, Legacies and Donations*

These are recognised when receivable or when the Trust becomes legally entitled to them. Costs borne by the Royal Pharmaceutical Society on behalf of the Trust are reflected as income, classified as donations and as expenditure in the appropriate categories.

*Grants* have been accounted for when receivable by the charity.

#### **Resources Expended**

*Grants payable to further charitable objectives* are outflows of resources in respect of grants for training and research.

*Research costs* relate to the charity's costs associated with pharmaceutical research plus an allocation of support costs.

*Governance costs* are costs associated with constitutional and statutory requirements, e.g. the cost of trustee meetings and preparing statutory accounts, and costs incurred in the efficient running of the Trust, e.g. office costs.

#### **Funds**

*Unrestricted funds* comprise those funds which the trustees are free to use in accordance with the charitable objects.

*Restricted funds* comprise those funds which the trustees must use for training bursaries and research to further charitable objectives.

**THE PHARMACY PRACTICE RESEARCH TRUST**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2007**

**1. COLLECTIONS, LEGACIES AND DONATIONS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2007 £</b>	<b>Total 2006 £</b>
Donations from R.P.S.G.B	-	-	-	262,000
Gift in kind from R.P.S.G.B	160,587	-	160,587	121,821
	<u>£160,587</u>	<u>-</u>	<u>£160,587</u>	<u>£383,821</u>

The Gift in Kind is a contribution from the RPSGB to the Trust for staff costs and a 40% overhead of these costs to cover infrastructure (IT & Technical support, financial services, catering services, office cleaning, human resources, maintenance and library services). 75% of the salary contribution is allocated to research.

<b>2. RESOURCES EXPENDED</b>	<b>Staff Costs £</b>	<b>Other Costs £</b>	<b>Total 2007 £</b>	<b>Total 2006 £</b>
<i>Charitable Activities</i>				
Training and research grants	8,603	87,081	95,684	150,686
Research costs	100,367	204,982	305,349	368,914
<i>Governance Costs</i>	5,735	22,760	28,495	30,005
	<u>£114,705</u>	<u>£314,823</u>	<u>£429,528</u>	<u>£549,605</u>

<b>2a. RESOURCES EXPENDED</b>	<b>Direct costs £</b>	<b>Support costs £</b>	<b>Total 2007 £</b>	<b>Total 2006 £</b>
<i>Charitable Activities</i>				
Training and research grants	80,260	15,424	95,684	150,686
Research costs	239,071	66,278	305,349	368,914
<i>Governance Costs</i>	22,199	6,296	28,495	30,005
	<u>£341,530</u>	<u>£87,998</u>	<u>£429,528</u>	<u>£549,605</u>

**THE PHARMACY PRACTICE RESEARCH TRUST**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2007**

<b>2b. SUPPORT COSTS</b>	<b>Total 2007 £</b>	<b>Total 2006 £</b>
Conference/Events	7,488	21,518
Salary Costs (see note 1)	28,676	21,797
Overheads (see note 1)	45,882	34,806
Stationery	2,117	2,318
Refreshments	618	1,120
Training	3,217	-
	<u>£87,998</u>	<u>£81,559</u>

**2b. STAFF COSTS**

The staff costs are analysed as follows:

Wages and salaries	93,927	70,276
Social Security	9,406	7,134
Pension Costs	11,372	9,777
	<u>£114,705</u>	<u>£87,187</u>

**No**

**No**

No employee earned more than £60,000 per annum from the Trust.

Number of employees	<u>5</u>	<u>4</u>
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The Trust do not employ any staff directly. The charge above reflects the breakdown of staff costs from R.P.S.G.B.

**3. NET MOVEMENT OF FUNDS**

	<b>2007 £</b>	<b>2006 £</b>
The net movement of funds is stated after charging:		
Auditors remuneration – audit fee	<u>£4,600</u>	<u>£4,400</u>

**THE PHARMACY PRACTICE RESEARCH TRUST**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2007**

<b>4. DEBTORS</b>					<b>2007</b>	<b>2006</b>
					£	£
Accrued income:						
Amounts due from PTECO					£321,300	£ -
					<u>          </u>	<u>          </u>
<b>5. CREDITORS</b>					<b>2007</b>	<b>2006</b>
					£	£
Amounts due to Royal Pharmaceutical Society					-	190,486
Accruals					18,852	24,591
					<u>          </u>	<u>          </u>
					£18,852	£215,077
					<u>          </u>	<u>          </u>
<b>6. UNRESTRICTED FUNDS</b>	<b>Balance at</b>	<b>Incoming</b>	<b>Resources</b>	<b>Transfers</b>	<b>Balance at</b>	
	<b>1 September</b>	<b>Resources</b>	<b>Expended</b>		<b>31 August</b>	
	<b>2006</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>2007</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
General	£107,215	£244,542	£(192,454)	£(851)	£158,452	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	
<b>7. RESTRICTED FUNDS</b>	<b>Balance at</b>	<b>Incoming</b>	<b>Resources</b>	<b>Transfers</b>	<b>Balance at</b>	
	<b>1 September</b>	<b>Resources</b>	<b>Expended</b>		<b>31 August</b>	
	<b>2006</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>2007</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	
LTCT	16,506	1,300	(4,548)	-	13,258	
Galen	(1,795)	-	(7,540)	-	(9,335)	
Linstead	27,439	40,000	(37,160)	-	30,279	
Boots	(851)	-	-	851	-	
Donations for research	134,951	250,000	(187,826)	-	197,125	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	
	£176,250	£291,300	£(237,074)	£851	£231,327	
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	

*Research Training Bursaries (LTCT)*

Bursaries made annually to develop individual pharmacists' skills and careers in research.

*Galen (Trust)*

Awards are made annually by the trust to individual pharmacy researchers. This is funded by the Galen Trust. The deficit will be covered by future funding.

# THE PHARMACY PRACTICE RESEARCH TRUST

## NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2007

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### 7. RESTRICTED FUNDS (continued)

#### *Linstead (LTCT)*

Awards made annually to a total value of £40,000 (£40,000 in 2005/06) for research that is of benefit to community pharmacy

#### *Supplementary Prescribing (Boots the Chemists)*

To fund research into Supplementary Prescribing: Pharmacist and Patient Perspectives. The project ceased in 2006.

#### *Donations for Research*

This fund was set up to cover costs to continue and fund research projects carried out by the Trust. In 2007, the fund has received income from the Pharmacy Trust for Education and Charitable Objectives (PTECO).

### 8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<b>Tangible fixed assets</b>	<b>Net current Assets</b>	<b>Long Term Liabilities</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted Funds	-	231,327	-	231,327
Unrestricted Funds	-	158,452	-	158,452
	<u>£ -</u>	<u>£389,779</u>	<u>£ -</u>	<u>£389,779</u>

### 9. RELATED PARTY NOTE

The trustees did not receive any remuneration during the year, however 7 trustees received reimbursed expenses amounting to £4,824 (2006: £6,582) covering the cost of travel during the year.

During the year the Royal Pharmaceutical Society (R.P.S.) incurred costs amounting to £Nil (2006: £Nil) on behalf of the Trust. The R.P.S. also incurred salary and overhead costs on behalf of the Trust which amounted to £160,587 (2006: £121,821). These amounts are reflected both as income and expenditure in the Trust's accounts.

The ex-officio, Hemant Patel is also a Trustee of the PTECO.