



**PHARMACY GUILD**  
OF NEW ZEALAND

# Annual Report 2025

Dedicated to member pharmacies

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# President's report



2025 was another busy, and challenging year for members and the Guild. The uncertainty about funding and practice impacts from 12-month prescriptions was constant for the sector for much of the year.

While we were delighted to finally achieve funding changes so pharmacies won't be financially disadvantaged when dispensing 12-month prescriptions, we understand and appreciate how unsettling it was while we worked to achieve this.

We continued working with officials, stakeholders, and other pharmacy sector organisations throughout 2025, to improve the position of community pharmacy.

## Engagement with the Minister of Health

In February, we provided briefing advice to the new Health Minister, Hon Simeon Brown, on how community pharmacy can help deliver improved health outcomes if investment in prevention is prioritised and our workforce and funding needs are addressed.

We had a positive meeting with the Minister in May, using the opportunity to raise community pharmacy's growing role and how the sector can deliver an expanded range of more cost-effective services such as acute minor health conditions. We also raised financial sustainability, noting HNZ's unfair and inconsistent approach to reasonable cost pressures uplifts.

In November, we met with the Minister again, continuing our great working relationship. We thanked the Minister for his help in fully mitigating 12-month prescription impacts. We also discussed developing a sustainable community pharmacy funding model for 2026 and raised concerns about proposed pharmacy ownership changes.

## Guild Constitution changes

Members overwhelmingly approved the Guild's new Constitution at our AGM in June. Following this, the Guild was re-registered under the Incorporated Societies Act 2022. The new Constitution aims to future-proof our governance framework to meet the challenges of a rapidly changing healthcare environment.

The new Constitution sees us move to a fully appointed Board. When Board vacancies occur, appropriately skilled members and other experts put themselves forward for consideration, an appointments panel will interview and assess them and then recommend the most qualified candidate with the right skills for each vacancy. These board member recommendations will be sent to the entire membership to be endorsed at the AGM. At least 50% of the

Board is required to be made up of current Guild members, ensuring strong member representation remains.

The Board will comprise of seven members, with the power to co-opt two additional members onto the Board. Board tenure will increase to a maximum of three consecutive terms of three-years each, providing greater continuity and strategic oversight.

## Sponsorship of the 2025 Primary Healthcare Awards

The Guild was proud to be a gold sponsor at the Awards held in September, sponsoring the Community Pharmacy of the Year Award. The award recognised innovative services, outstanding patient care, and strong community engagement.

A strong primary care sector is crucial to a successful New Zealand health system. The Awards aim to encourage collaboration and innovation in primary care and allow the healthcare sector and the public to see how hard primary care works to improve the health and wellbeing of New Zealanders and keep them out of secondary care.

The collective aim is to improve access, health and wellbeing outcomes for all New Zealanders – the Awards celebrate the work that is already happening to encourage further collaboration.

## Proposed pharmacy ownership changes

The Guild met with Associate Minister of Health Casey Costello in October. We were clear that the Guild and our members support majority pharmacist ownership and effective control. We spoke about the unintended consequences of the proposed change, including less service/patient focus, more focus on profit, and complex accountability and increased costs.

We asked for an opportunity to explore this more fully and had several meetings with Ministry officials in late 2025 to discuss our concerns, legislation timelines, licensing and supervision proposals.

Thank you to members for their ongoing support. Membership remains the foundation of everything we do. Thanks also to our Board for their time and commitment to the Guild and community pharmacy sector, and to our Guild HQ team for their hard work and dedication to supporting members.

**KESH NAIDOO-RAUF**  
President

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# Chief Executive's report



2025 was another huge year for community pharmacy and the Guild, with policy changes dominating sector discussion. 12-month prescriptions was a huge piece of work for us, with proposed changes to pharmacy ownership an unwelcome surprise later in the year.

Keeping members informed as work on key issues progressed remained at the forefront, in addition to our day-to-day support for members – with the Guild HQ team continuing to provide regular updates, expert advice, practice guidance, compliance support, and business tools.

## 12-month prescription impacts mitigated

We worked intensely outside of NAAR to address this significant financial issue. This included working with officials at multiple levels, providing analysis and advice, and engaging with the Minister of Health. The Guild's work in achieving this was repeatedly acknowledged during the 12 November NAAR meeting.

HNZ agreed to ensure community pharmacies are not negatively financially impacted by 12-month prescriptions and committed to fully mitigate the adverse fee impacts on pharmacies. This will see pharmacies funded for 12-month prescriptions as if they were still delivering them under 3-month prescription pricing terms.

HNZ also agreed that any additional dispensing resulting from this policy will not be funded from existing community pharmacy funding streams.

## Guild's work outside of NAAR and Variation 7

We successfully secured improvements to ICPSA Variation 7 by working outside the limited scope of NAAR. This work involved regular meetings with the Health Assurance Unit (set up to provide advice to the Minister), the Crown Observer on the HNZ Board, and senior HNZ officials.

While the 3% cost pressures uplift for community pharmacy remained unchanged, our repeated questioning of the ICPSA expenditure baseline used by HNZ resulted in cost pressures funding increasing by \$2.8 million.

Our work also resulted in a significant programme of work to better position community pharmacy for the future.

Key successes delivered by the Guild include:

- Additional \$2.8m in cost pressure funding secured
- \$5m annual fund for nationally consistent pharmacy services
- This fund able to be used for staff training and IT costs to expand services

- Commitment to develop a sustainable funding model in 2026/27
- Nationwide contracting policy with conditions for awarding new ICPSA's

This year's NAAR process took longer than usual, mainly due to the need to fully mitigate all 12-month prescription adverse financial impacts. As a result, NAAR again went to contested advice. The final voluntary variation was agreed in late December.

## New Guild website

The new website, launched in September, has a refreshed look, a dedicated advocacy section, and streamlined access to updated member tools, with fewer sub-levels to access key resources.

To help members stay informed about our work, all advocacy information and documents related to 12-month prescriptions and NAAR was moved to a separate webpage for each topic.

We also created a key info summary document for each topic summarising key financial and advocacy information, as we recognised it wasn't practical to search through long documents and previous e-newsletters for this info.

## New member resources

Throughout the year, we continued to develop new resources to support members, including:

- Employee theft prevention guidance
- Guidance on the destruction of controlled drugs
- Guidance on the use of standing orders
- Information security policy guideline and template
- Key messages for MPs and the media on 12-month prescriptions and cost pressures, plus template letters for editing and sending to MPs and other decision makers
- Patient subsidy prescription category codes quick reference guide
- Supply of melatonin as a pharmacy-only medicine guidance.

Thank you to members for their continued support in 2025. Your trust enables us to advocate effectively, defend the sector, and shape a strong future for community pharmacy in New Zealand.

**ANDREW GAUDIN**  
Chief Executive

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# Entity Information

## Pharmacy Guild of New Zealand (Incorporated)

For the year ended 31 December 2025

<b>Legal Name of Entity</b>	Pharmacy Guild of New Zealand (Incorporated)
<b>Entity Type and Legal Basis</b>	Incorporated Society
<b>Registration Number</b>	Incorporation Number: 216189
<b>Entity's Purpose or Mission</b>	We exist to support and advance the business and professional needs of community pharmacy.
<b>Entity's Structure and Governance Arrangements</b>	<p>The entity is governed by a Board comprising seven member-endorsed Directors, with power to appoint up to two co-opted Directors. Responsibility for the day-to-day management of the organisation is delegated to the Chief Executive, who operates within the policies and delegated authorities set by the Board.</p> <p>The Board may establish committees from time to time to assist in carrying out its governance responsibilities. The Board is operating in a transitional period under the constitution voted in at the AGM on 18 June 2025.</p>
<b>Entity's Reliance on Volunteers and Donated Goods or Services</b>	The entity does not rely on volunteers or donated goods and services.
<b>Other Entities Controlled by the Entity</b>	Pharmaceutical Services Limited
<b>Physical Address</b>	Pharmacy House, 124 Dixon Street, Te Aro, Wellington, 6011, New Zealand
<b>Postal Address</b>	PO Box 24 172, Manners Street, Wellington, 6142, New Zealand

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# Approval of Performance Report

## Pharmacy Guild of New Zealand (Incorporated)

For the year ended 31 December 2025

The Board of Directors is pleased to present the approved performance report including the financial statements of Pharmacy Guild of New Zealand (Incorporated) for year ended 31 December 2025.

**APPROVED.**



**KESH NAIDOO-RAUF**  
President



**BROOKE MCKAY**  
Vice President

22 May 2026

# Statement of Service Performance

## Pharmacy Guild of New Zealand (Incorporated)

For the year ended 31 December 2025

### Our purpose

We exist to support and advance the business and professional needs of community pharmacy.

### What we do

We provide support and services to community pharmacy owners and are committed to ensuring members realise their professional and financial potential in today's challenging business environment. Guild members enjoy access to a wide range of services and support designed to help them run their businesses successfully.

Our goal is to increase the recognition of the role community pharmacy can play, ensure community pharmacy's financial sustainability, and influence policy, funding and service development for the benefit of members.

The activities reported below contribute to this goal by supporting individual members and by representing members' collective interests in sectorwide discussions.

### Representation

**\$163,785 spent in 2025 (\$117,181 in 2024)**

We represent members in discussions about funding and service development, including the Integrated Community Pharmacy Agreement (ICPSA), as well as other pending legislative, regulatory and policy change discussions.

We are equipped with the funds, capacity, expertise and relationships throughout the sector to do this effectively.

### Advocacy

**\$34,512 spent in 2025 (\$124,368 in 2024)**

A core component of our work involves influencing politicians and key decision-makers to improve the position of community pharmacy. Current key priorities are addressing sector viability and workforce sustainability concerns.

### Personalised advice

**\$44,523 spent in 2025 (\$37,048 in 2024)**

Our team provides a range of member support, with practice, business, and audit queries received via phone and email. Queries cover dispensing processes, claiming, the Pharmaceutical Schedule, the ICPSA and funding. Members can also receive personalised advice from external experts via our HR advice line and legal advice line.

### Member tools and resources

**\$179,041 spent in 2025 (\$192,644 in 2024)**

Members have access to a huge range of tools and resources, with new benefits added each year. Key benefits include access to online resources needed for audit such as Micromedex and the Pregnancy and Breastfeeding Medicines Guide, employment and HR templates and policies, regular updates, and pharmacy practice resources and guides to help members with the everchanging requirements.

*Note, the total spend of \$421,861 (\$471,241 in 2024) in the four categories above is included in the sector advocacy and membership services expenses in the financial statements.*

### Key activities in 2025 included:

	2025	2024
<b>Member queries</b> ( <i>personalised advice</i> )		
Practice and audit queries	459	495
Contract and funding queries	120	140
HR advice line queries	75	76
<b>Member publications</b> ( <i>member tools and resources</i> )		
Electronic newsletters and hardcopy publications	67	66
<b>Event attendees</b> ( <i>member tools and resources</i> )		
Attendees at in-person events and webinars	215	236
<b>Submissions</b> ( <i>advocacy, representation</i> )		
Submissions on community pharmacy sector issues	25	31

*The above figures are from internal systems and records.*

*Member queries are recorded in the Guild's customer relationship management system, categorised by type.*

*Publications reflect newsletters sent during the year.*

*Event attendance is tracked for in-person and online events.*

*Submissions reflect written submissions made on sector issues. While these were compiled using consistent processes, some rely on manual inputs and classifications.*

### Pharmaceutical Services Limited (PSL)

PSL exists solely to make a profit to fund Guild activities and lower membership fees. PSL achieved a profit after tax of \$170,949 in 2025 (\$259,446 in 2024). This helped keep membership fees unchanged.

# Statement of Financial Performance

Pharmacy Guild of New Zealand (Incorporated)  
For the year ended 31 December 2025

	Note	2025 \$	2024 \$
<b>Revenue</b>			
Membership fees and subscriptions	1	1,377,695	1,448,647
Revenue from commercial activities	1	1,433,994	1,454,579
Interest, dividends and other investment revenue	1	159,574	199,580
Other revenue	1	208,960	213,526
<b>Total Revenue</b>		<b>3,180,223</b>	<b>3,316,331</b>
<b>Expenses</b>			
Employee remuneration and other related expenses	2	1,111,445	1,031,532
Expenses related to commercial activities	2	1,208,538	1,193,904
Other expenses related to service delivery	2	858,286	861,315
Other expenses	2	155,068	201,297
<b>Total Expenses</b>		<b>3,333,337</b>	<b>3,288,047</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(153,114)</b>	<b>28,284</b>
<b>Income tax expenses</b>			
<b>Income Tax for the Year</b>		<b>90,010</b>	<b>103,388</b>
<b>Surplus/(Deficit) after Tax</b>		<b>(243,125)</b>	<b>(75,104)</b>

# Statement of Financial Position

Pharmacy Guild of New Zealand (Incorporated)

As at 31 December 2025

	Note	2025 \$	2024 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and short-term deposits	3	734,972	337,748
Debtors and prepayments	3	439,018	461,559
Inventory	3	24,682	25,075
Investments	3	2,940,000	3,450,000
Other current assets	3	40,000	-
Property, plant and equipment	5	754,669	-
<b>Total Current Assets</b>		<b>4,933,342</b>	<b>4,274,383</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	5	10,766	849,655
Other non-current assets	3	9,232	114,483
<b>Total Non-Current Assets</b>		<b>19,998</b>	<b>964,138</b>
<b>Total Assets</b>		<b>4,953,339</b>	<b>5,238,520</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	172,003	202,686
Employee costs payable	4	138,889	108,051
Deferred revenue	4	42,853	41,885
Other current liabilities	4	167	24,455
<b>Total Current Liabilities</b>		<b>353,911</b>	<b>377,077</b>
<b>Total Liabilities</b>		<b>353,911</b>	<b>377,077</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>4,599,428</b>	<b>4,861,443</b>
<b>Accumulated Funds</b>			
Accumulated surpluses or deficits	6	1,700,653	1,955,504
Reserves	6	2,898,775	2,905,938
<b>Total Accumulated Funds</b>		<b>4,599,428</b>	<b>4,861,442</b>

# Statement of Cash Flows

Pharmacy Guild of New Zealand (Incorporated)  
For the year ended 31 December 2025

	2025	2024
	\$	\$
<b>Cash flows from operating activities</b>		
<b>Operating receipts (money deposited into the bank account)</b>		
Membership fees and subscriptions	1,377,695	1,448,647
Gross sales from commercial activities	1,491,630	1,617,932
Interest, dividends and other investment receipts	159,574	199,580
Other cash received	220,644	208,470
<b>Total receipts</b>	<b>3,249,543</b>	<b>3,474,629</b>
<b>Less operating payments (money withdrawn from you bank account)</b>		
Employee remuneration and other related payments	1,080,607	1,015,958
Payments related to commercial activities	1,265,524	1,233,585
Other payments related to service delivery	845,924	861,318
Other payments	164,969	188,980
<b>Total payments</b>	<b>3,357,024</b>	<b>3,299,841</b>
<b>Net cash flows from operating activities</b>	<b>(107,481)</b>	<b>174,788</b>
<b>Cash flows from other activities</b>		
<b>Cash was received from:</b>		
Sale of investments	3,040,000	2,309,080
<b>Cash was applied to:</b>		
Payments to acquire property, plant and equipment	5,294	6,470
Purchase of investments	2,530,000	2,200,000
<b>Net cash flows from other activities</b>	<b>504,706</b>	<b>102,610</b>
<b>Cash Positions</b>		
<b>Net increase/(decrease) in cash</b>	<b>397,224</b>	<b>277,394</b>
<b>Opening cash</b>	<b>337,748</b>	<b>60,354</b>
<b>Closing cash</b>	<b>734,972</b>	<b>337,748</b>

## Reporting entity

Pharmacy Guild of New Zealand Inc is a public benefit entity for the purposes of financial reporting in accordance with the Financial Reporting Act (2013).

Pharmacy Guild of New Zealand Inc is registered under the Incorporated Societies Act 2022.

The financial report presented here are for the consolidated group of Pharmacy Guild of New Zealand Inc (the Society) and its 100% owned subsidiary, Pharmaceutical Services Limited for the year to 31 December 2025, together referred to as the Group. The Society is a voluntary organisation representing the interests of community pharmacies in New Zealand.

## Basis of preparation

The Group is permitted by law to apply the Tier 3 (NFP) Standard issued by the External Reporting Board (XRB) and has elected to do so. A PBE may apply the standard if it does not have public accountability and has total annual expenses less than or equal to \$5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the group will continue to operate in the foreseeable future.

## Changes in accounting policies

The Group has adopted the Tier 3 NFP standard for the first time this year.

As a result of the first-time application of this standard, changes were required that affect the presentation and disclosures required on the first time application of the Tier 3 NFP standard, the performance report has been presented in accordance with the requirements of the standard.

Adjustments have been made to the opening balance of the accumulated funds due to adoption of the Tier 3 NFP Standard.

## Basis of consolidation

The group has adopted PBE IPSAS 35 Consolidated Financial Statements.

Controlled entities are all those entities over which the controlling entity has the power to govern the financial and operating policies so as to benefit from its activities.

The controlled entities are consolidated from the date on which control is transferred and are de-consolidated from the date that control ceases. In preparing the consolidated financial statements, all inter entity balances and transactions, and unrealised gains and losses arising within the consolidated entity are eliminated in full. The accounting policies of the controlled entity are consistent with the policies adopted by the Group and have a 31 December reporting date.

## Bank accounts and cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

## Revenue recognition

### Membership fees and subscriptions

Revenue is recorded over the period of the membership or subscription (usually 12 months).

Amounts received in advance for memberships or subscriptions relating to future periods are recognised as a liability until such time that the period covering the membership or subscription occurs.

### Rental revenue

Rental revenue is recorded as revenue on a straight-line basis over the term of the agreement.

### Sale of goods

Sale of goods is recorded as revenue when the goods are sold.

### Sale of services

Sale of services is recorded as revenue by reference to the stage of completion of the service at balance date, based on the actual service provided as a percentage of the total service to be provided.

Amounts received in advance for services relating to future periods are recognised as a liability until such time that the period covering the services performed.

### Interest

Interest is recorded as revenue as it is earned during the period.

## Inventories

Inventory is initially measured at cost.

Inventory is subsequently measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

## Investments

Investments are to be measured at the amount paid when purchased, less any impairment.

## Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, its cost is measured at its fair value as at the date of acquisition.

Depreciation is charged on a straight line basis over the useful life of the asset, except for land. Land is not depreciated. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

- Building and building refurbishments - 2.0% - 40% straight line
- Office alterations - 7.0% - 12.5% straight line
- Furniture - 7.0% - 33% straight line
- Computers - 17.5% - 40.0% straight line

## Intangible assets

Intangible assets are disclosed in other non-current assets and are initially measured at cost. Subsequently, intangible assets are measured in accordance with the cost model, being cost less accumulated amortisation and impairment.

The amortisation rates are:

- Website - 40% straight line
- Software - 25% - 40% straight line
- Trademarks - 10% - 20% straight line

## Employee costs payable

Liabilities for wages and salaries that are expected to be settled wholly within a year after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee entitlements in the statement of financial position.

## Income tax

The income tax expense recognised for the period is based on the accounting profit, adjusted for non-taxable and non-deductible differences.

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in New Zealand.

No deferred income tax is recognised and deferred income tax recognised in the previous periods has been adjusted to the opening balance of the retained earnings.

## Goods and Services Tax (GST)

The Group is registered for GST. All amounts are stated exclusive of GST except for accounts payable and accounts receivable which are stated inclusive of GST.

## Service performance reporting judgement

When preparing the statement of service performance, the Group made judgements about the information to present, focusing on the activities that had the greatest impact on the delivery of our strategic objectives and would therefore be the most meaningful to the Group's members.

The Group have focused on those activities that required the greatest amount of staff time, were able to be quantified or measured, and resulted in outputs or outcomes for members. The Group have not reported on the activities of PSL, given PSL exists solely to make a profit to fund Guild activities and lower the cost of Guild membership fees.

# Notes to the Performance Report

Pharmacy Guild of New Zealand (Incorporated)

For the year ended 31 December 2025

## 1. Analysis of Revenue

	2025	2024
	\$	\$
<b>Membership fees and subscriptions</b>		
Membership fees	1,352,886	1,422,607
Division fees	24,809	26,040
<b>Total Membership fees and subscriptions</b>	<b>1,377,695</b>	<b>1,448,647</b>
<b>Revenue from commercial activities</b>		
Sale of Goods	907,149	850,957
Sale of Services	526,845	603,622
<b>Total Revenue from commercial activities</b>	<b>1,433,994</b>	<b>1,454,579</b>
<b>Interest, dividends and other investment revenue</b>		
Interest received	159,574	199,580
<b>Total Interest, dividends and other investment revenue</b>	<b>159,574</b>	<b>199,580</b>
<b>Other revenue</b>		
Rental income	203,365	191,760
Other income	595	3,765
Sponsorship income	5,000	18,000
<b>Total Other revenue</b>	<b>208,960</b>	<b>213,526</b>

## 2. Analysis of Expenses

	2025	2024
	\$	\$
<b>Employee remuneration and other related expenses</b>		
Staff pay (Employee)	956,055	967,777
Staff pay (Contractor)	118,180	28,490
ACC	1,788	1,195
Kiwi Saver	27,828	28,483
Professional memberships (Staff)	7,594	5,587
<b>Total Employee remuneration and other related expenses</b>	<b>1,111,445</b>	<b>1,031,532</b>
<b>Expenses related to commercial activities</b>		
PGNZ Expenses related to commercial activities	129,583	117,216
<b>PSL Expenses related to commercial activities</b>		
Building management and maintenance	251,256	265,595
Cost of goods sold	717,691	663,052
Cost of services delivery	57,466	107,452
Gift voucher costs	1,955	365
PSL operating overheads	50,587	40,225
<b>Total PSL Expenses related to commercial activities</b>	<b>1,078,956</b>	<b>1,076,688</b>
<b>Total Expenses related to commercial activities</b>	<b>1,208,538</b>	<b>1,193,904</b>
<b>Other expenses related to service delivery</b>		
Governance	257,636	209,089
Business Operations	155,655	164,842
Membership Services	235,341	236,632
Sector Advocacy	209,655	250,751
<b>Total Other expenses related to service delivery</b>	<b>858,286</b>	<b>861,315</b>
<b>Other expenses</b>		
Audit	31,816	52,307
Annual Report	5,825	6,525
Bad debts	4,670	8,956
Depreciation	112,408	133,508
Interest expenses	349	-
<b>Total Other expenses</b>	<b>155,068</b>	<b>201,297</b>

### 3. Analysis of Assets

	2025	2024
	\$	\$
<b>Cash and short-term deposits</b>		
PSL bank accounts	412,846	195,013
PGNZ bank accounts	322,126	142,736
<b>Total Cash and short-term deposits</b>	<b>734,972</b>	<b>337,748</b>
<b>Debtors and prepayments</b>		
Prepayment	120,265	101,234
Debtors control (Accounts Receivable)	288,022	304,720
Sundry debtors	30,731	70,702
Provision for bad debts	-	(15,096)
<b>Total Debtors and prepayments</b>	<b>439,018</b>	<b>461,559</b>
<b>Inventory</b>		
Stock	24,682	27,956
Provision for obsolete stock - PSL	-	(2,881)
<b>Total Inventory</b>	<b>24,682</b>	<b>25,075</b>
<b>Investments</b>		
Term deposits	2,940,000	3,450,000
<b>Total Investments</b>	<b>2,940,000</b>	<b>3,450,000</b>
<b>Other Current Assets</b>		
ICPG loan current portion	40,000	-
<b>Total Other Current Assets</b>	<b>40,000</b>	<b>-</b>
<b>Other non-current assets</b>		
ICPG loan	-	40,000
Intangible assets	9,232	32,126
Lease incentive asset	-	42,357
<b>Total Other non-current assets</b>	<b>9,232</b>	<b>114,483</b>

#### 4. Analysis of Liabilities

	2025	2024
	\$	\$
<b>Creditors and accrued expenses</b>		
Accounts payable	118,394	152,816
Creditors accruals	12,169	6,614
Provision for ACC	1,800	1,800
Provision for audit fee	26,500	40,000
GST	13,140	1,456
<b>Total Creditors and accrued expenses</b>	<b>172,003</b>	<b>202,686</b>
<b>Employee costs payable</b>		
Wage payables	10,428	–
Provision for holiday pay	128,461	108,051
<b>Total Employee costs payable</b>	<b>138,889</b>	<b>108,051</b>
<b>Deferred revenue</b>		
Deferred revenue	42,853	41,885
<b>Total Deferred revenue</b>	<b>42,853</b>	<b>41,885</b>
<b>Other current liabilities</b>		
Deferred tax	–	1,498
Income tax liability	167	22,958
<b>Total Other current liabilities</b>	<b>167</b>	<b>24,456</b>

## 5. Property, Plant and Equipment

	2025	2024
	\$	\$
<b>Current Portion</b>		
<b>Land</b>		
Transfer from non-current portion	165,871	-
<b>Total Land</b>	<b>165,871</b>	<b>-</b>
<b>Building and Building Refurbishments</b>		
Transfer from non-current portion	586,946	-
<b>Total Building and Building Refurbishments</b>	<b>586,946</b>	<b>-</b>
<b>Partitions</b>		
Transfer from non-current portion	1,853	-
<b>Total Partitions</b>	<b>1,853</b>	<b>-</b>
<b>Total Current Portion</b>	<b>754,669</b>	<b>-</b>
<b>Non-Current Portion</b>		
<b>Land</b>		
Opening balance	165,871	165,871
Transfer to current portion	(165,871)	-
<b>Total Land</b>	<b>-</b>	<b>165,871</b>
<b>Building and Building Refurbishments</b>		
Opening balance	666,342	750,707
Purchases	-	2,317
Depreciation	(79,396)	(86,683)
Transfer to current portion	(586,946)	-
<b>Total Building and Building Refurbishments</b>	<b>-</b>	<b>666,342</b>

	2025	2024
	\$	\$
<b>Partitions</b>		
Opening balance	2,617	6,068
Purchases	–	–
Depreciation	(764)	(3,451)
Transfer to current portion	(1,853)	–
<b>Total Partitions</b>	<b>–</b>	<b>2,617</b>
<b>Computers</b>		
Opening balance	5,922	13,243
Purchases	5,294	7,791
Depreciation	(7,004)	(15,113)
<b>Total Computers</b>	<b>4,212</b>	<b>5,922</b>
<b>Furniture and Fittings</b>		
Opening balance	8,904	11,309
Depreciation	(2,350)	(2,405)
<b>Total Furniture and Fittings</b>	<b>6,554</b>	<b>8,904</b>
<b>Total Non-Current Portion</b>	<b>10,766</b>	<b>849,655</b>
<b>Total Property, Plant and Equipment</b>	<b>765,435</b>	<b>849,655</b>

On 19 December 2025 the Group accepted an unconditional tender to sell the property at 124 Dixon Street, Wellington. Settlement is due on 26 June 2026.

At 31 December 2025, the carrying amount of the property was \$754,669, comprising land of \$165,871, building and building refurbishments of \$586,946 and partitions of \$1,853.

As settlement occurs after balance date, no gain on disposal has been recognised in the 31 December 2025 performance report.

Because settlement is expected within 12 months of balance date, the property has been presented as a current asset at 31 December 2025.

## 6. Accumulated Funds

	2025	2024
	\$	\$
<b>Accumulated surpluses or deficits</b>		
Opening balance	1,955,504	2,219,833
Loss for the year	(228,291)	(264,328)
Prior period adjustment	(26,560)	–
<b>Total Accumulated surpluses or deficits</b>	<b>1,700,653</b>	<b>1,955,504</b>
<b>Reserves</b>		
<b>Divisional Fund *</b>		
Opening balance	714,775	693,735
Profit for the year	15,054	21,040
<b>Total Divisional Fund *</b>	<b>729,829</b>	<b>714,775</b>
<b>Subsidiary Operational Fund **</b>		
Opening balance	1,648,460	1,369,796
Prior period adjustment	7,671	–
Profit for the year	170,949	278,664
<b>Total Subsidiary Operational Fund **</b>	<b>1,827,080</b>	<b>1,648,460</b>
<b>Guild Special Funds ***</b>		
Opening balance	542,703	653,183
Use of special purpose funds	(200,837)	(110,480)
<b>Total Guild Special Funds ***</b>	<b>341,866</b>	<b>542,703</b>
<b>Total Reserves</b>	<b>2,898,775</b>	<b>2,905,938</b>
<b>Total Accumulated Funds</b>	<b>4,599,428</b>	<b>4,861,442</b>

All reserves are discretionary reserves and represent funds accumulated from one-off events and on going surpluses generated in prior periods.

The funds are not subject to restrictions and are available for use at the discretion of the Group and the purpose of the reserve is to provide financial flexibility to support projects outside the Group's normal operating budget.

The Group intends to apply the reserve funds when appropriate events arise and as the timing and nature of such expenditure are uncertain, no specific timeframe has been set for utilisation of the funds.

\* Divisional funds are available for divisional activity.

\*\* The Subsidiary Operational Fund represents the Group's change in equity in Pharmaceutical Services Limited.

\*\*\* Guild Special Funds include Pharmacy information fund, Pharmacycare sale fund and Pharmacy Xpo sale fund.

**Pharmacy information fund \$35,217 (2024: \$35,217)**

The Guild received \$262,500 in settlement as a result of a dispute that went to mediation in 1997. In 2002, with the ownership of pharmacies under threat by proposed legislation, part of the fund was used in campaign to preserve the current status. The balance of the fund is now held for special projects.

During 2025, no funds were spent. (2024: nil)

**Pharmacycare sale fund \$160,253 (2024: \$160,253)**

The fund arises from the sale of the Pharmacycare brand in 1998 to concentrate on the generic promotion of community pharmacy.

During 2025, no funds were spent. (2024: nil)

**Pharmacy Xpo sale fund \$146,396 (2024: \$347,233)**

In 2001 the Group sold the rights to Pharmacy Xpo for the sum of \$400,000. This fund is held to cover contingency and special projects.

During 2024, \$110,480 was spent on the Judicial Review, prior to the appeal of the effective control ruling being abandoned by Woolworths Pharmacy.

During 2025, the Board approved discretionary spending of \$200,837 for a membership development project and the development of a new governance framework and Guild Constitution.

**7. Commitments**

	2025	2024
	\$	\$
<b>Commitments to lease Level 4, 124 Dixon Street</b>		
Less than 1 year	28,611	-
More than 1 year, but less 5 years	171,666	-
<b>Total Commitments to lease Level 4, 124 Dixon Street</b>	<b>200,277</b>	<b>-</b>

The Group is committed to lease back level 4 of the building from the purchaser at an annual rate of \$57,222 plus GST from the settlement date, currently from 26 June 2026. The lease is expiring 1 December 2029.

## 8. Contingent liabilities and guarantees

There are no contingent liabilities or guarantees as at 31 December 2025. (Last year - nil)

## 9. Related party transactions

The Board members, Chief Executive and Senior Management team are considered related parties as they are involved in the strategic management and overall direction of the Group.

Remuneration paid to the related parties during the year totalled \$797,444 (2024: \$714,324). There were no amounts owing at balance date and no other related party transactions requiring disclosure.

	2025	2024
	\$	\$
<b>Related Party Transactions</b>		
Board Member remunerations *	184,025	117,121
Chief Executive and Senior Management remunerations	613,419	597,203
<b>Total Related Party Transactions</b>	<b>797,444</b>	<b>714,324</b>

\* Includes fees for work and meetings attended in relation to the Community Pharmacy Services Agreement and other project work, in addition to the remuneration of Board activities.

## 10. Ability to continue operating

The entity will continue to operate for the foreseeable future.

**To the Members of  
Pharmacy Guild of New Zealand**

**Opinion**

We have audited the accompanying Performance Report of Pharmacy Guild of New Zealand on pages 5 to 20 which comprises the Entity Information, the Statement of Service Performance, the Statement of Financial Performance and Statement of Cash Flows for the year ended 31 December 2025, the Statement of Financial Position as at 31 December 2025, a Statement of Accounting Policies and Notes to the Performance Report including material accounting policy information and other explanatory information.

In our opinion, the accompanying Performance Report presents fairly, in all material respects:

- the entity information for the year ended 31 December 2025;
- the service performance for the year ended 31 December 2025, in that the service performance information is appropriate and meaningful and prepared in accordance with the entity's measurement bases or evaluation methods;
- the financial position of Pharmacy Guild of New Zealand as at 31 December 2025, and its financial performance, and cash flows for the year then ended, in accordance with the Tier 3 (NFP) Standard issued by the New Zealand Accounting Standards Board of the External Reporting Board (XRB).

**Basis for Opinion**

We conducted our audit of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and Notes to the Performance Report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the Entity Information and Statement of Service Performance in accordance with New Zealand Auditing Standard 1 (Revised) 'The Audit of Service Performance Information' (NZ AS1 (Revised)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Performance Report section of our report. We are independent of Pharmacy Guild of New Zealand in accordance with Professional and Ethical Standard 1 'International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, Pharmacy Guild of New Zealand.

**Other Matter**

The performance report of Pharmacy Guild of New Zealand (Incorporated) for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those statements on 23 May 2025.

PKF Kendons Audit Limited, PO Box 31 045, Lower Hutt, Wellington 5010, New Zealand

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## Other Information

The Board of Directors are responsible for the other information. The other information comprises the information included in the President's report, the Chief Executive's report, and the Statement Responsibility on pages 3 to 4, but does not include the performance report and our auditor's report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Board of Director' Responsibility for the Performance Report

The Board of Director are responsible on behalf of the entity for:

- (a) the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods that present service performance information that is appropriate and meaningful in accordance with the Tier 3 (NFP) Standard;
- (b) the preparation and fair presentation of the Performance Report which comprises:
  - the Entity Information;
  - the Statement of Service Performance; and
  - the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Statement of Accounting Policies and Notes to the Performance Report in accordance with the Tier 3 (NFP) Standard, and
- (c) for such internal control as the Board of Director determine is necessary to enable the preparation of a Performance Report that is free from material misstatement, whether due to fraud or error.

In preparing the Performance Report, the Board of Director are responsible on behalf of the entity for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Director either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Performance Report

Our objectives are to obtain reasonable assurance about whether the Performance Report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance ISAs and NZ AS1 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this Performance Report.

As part of an audit in accordance with ISAs (NZ) and NZ AS1 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Performance Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that

is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of the process applied by the entity to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods.
- Evaluate whether the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods present an appropriate and meaningful assessment of the entity's service performance in accordance with the applicable financial reporting framework.
- Evaluate whether the service performance information is prepared in accordance with the entity's measurement bases or evaluation methods, in accordance with the applicable financial reporting framework.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Director and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Performance Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Performance Report, including the disclosures, and whether the Performance Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Restriction on Responsibility**

This report is made solely to the Members, as a body, in accordance with specify source of audit duty, constitution of Pharmacy Guild of New Zealand. Our audit work has been undertaken so that we might state to the Members 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 Members as a body, for our audit work, for this report, or for the opinions we have formed.

*PKF Kendons*

PKF Kendons Audit Limited  
Lower Hutt  
22 May 2026



**PHARMACY GUILD**  
OF NEW ZEALAND

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